

REPORT
OF
THE FINANCE COMMITTEE
1886.

VOLUME I.

THE PROPOSED PROVINCIAL CONTRACTS OF 1887;

WITH

APPENDICES EXHIBITING THE WORKING OF THE PROVINCIAL
CONTRACTS OF 1882,



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REPORT

OF

THE FINANCE COMMITTEE, 1886.

VOLUME I.

CHAPTER I.

INTRODUCTORY.

THE intention of the Government of India to appoint a Special Committee to enquire into the Finances of the Empire and to submit recommendations leading to economy was first announced in the speech of His Excellency the Viceroy on the 4th January 1886, in the Council of the Governor General of India. The occasion was the introduction of the Income Tax Bill, and His Excellency was led to explain the causes of the financial difficulties in which the Government found itself, as arising from Military preparations on the North-Western Frontier, and the fall in exchange. He referred to the temporary reduction of expenditure which had taken place in 1885, and ended his speech as follows :—

“But this was a temporary measure to meet an equally temporary need. It is now desirable to ascertain whether it would not be possible to add considerably to the margin of our resources by a careful revision of our Provincial and Imperial expenditure, as well as by the addition to our income which the present Bill will give us. With this view the Government of India have determined to issue a Financial Commission, so strongly constituted and furnished with such instructions as to ensure that the task entrusted to them will be conscientiously performed, and to prove conclusively that the Viceroy and his Colleagues are thoroughly in earnest in their determination to adapt the administration in all its branches to the financial exigencies of the Empire.”

2. The Finance Committee, foreshadowed in this speech, was constituted and the sphere of its labour was defined by the Resolution of 10th February 1886, which ran as follows :—

Terms of the Resolution.

“It has been determined to appoint a Committee for the purpose of examining expenditure, whether Imperial or Provincial, and reporting to the Government, within as brief a period as may be possible, what economies are therein practicable. It is desirable that the Committee should commence its labours so soon as its Members can be conveniently brought together, and it is expected that early in the ensuing cold weather they will be able to submit their recommendations to the Government.

“2. The question of expenditure has, within recent years, been on more than one occasion pressed upon the attention of the Government of India. On the one hand, it has been urged that, since the commencement of the present decade, civil expenditure has very largely increased; on the other hand, the causes which have led to increase of expenditure have been fully explained by the Government of India in its communications with Her Majesty's Secretary of State. The documents relating to this matter will, in the course of their enquiry, be laid before the Committee; but the Committee will not fail to observe that, apart from the discussions which have hitherto arisen on the subject, the circumstances, in which the Government now finds itself placed, compel it to examine with renewed and anxious attention the possibilities of such an effective decrease in its expenditure as shall, in a sensible degree, contribute to relieve it of the financial embarrassments with which it is threatened. The time is opportune

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for such an enquiry. The Provincial contracts expire at the close of the ensuing financial year. The Government is engaged in the prosecution of a large scheme of public works, having for their object the protection of the country against famine or possible dangers upon its frontiers, for the rapid prosecution of which the utmost economy is required in other branches of the administration. The uncertainty which prevails regarding the future relative value of gold and silver compels the Government to contract, so far as is possible, expenditure which, in other circumstances, may have been desirable or necessary, but which at present it can no longer maintain.

"3. The Committee, while turning their immediate attention to the revision of the arrangements now in force between the Imperial and the Provincial Governments, will extend their enquiries to all Departments of the Government, whether Imperial or Provincial. They will find that the labours of the Military Commission have led to a series of recommendations, some of which have been put into execution, while others await decision. Although it is not contemplated that they should travel over the ground which the Military Commission examined, they will not, on that account, decline to consider whether greater economy cannot be attained in connection with the working of the several branches of the military administration. They will review so much of the proposals for military economy as have been already approved by the Government of India, but have not hitherto been carried out, and will report their views as to the most suitable steps to be taken in order that effect should be given to such proposals. Similarly, the Committee will study the enquiries which have been made, and the measures which have been adopted, in recent years with a view to reform or to the introduction of greater economy into the several Departments of the Government. It is not desired that the Committee should propose any material modification in arrangements, which have in recent years been carried out after mature deliberation under the sanction of the Secretary of State, but they will be expected to pursue a similar line of enquiry so far as regards departments or branches of the administration, with which the changes effected in late years have not definitely dealt, or in which the reforms hitherto effected may prove to have failed to secure the economy aimed at. Bearing in mind the heavy cost to which the Government of India is committed in regard to Imperial railways and military works, the expenditure, whether Provincial or Imperial, under other heads of the Public Works must be scrutinised with special care.

"4. Finally, the Committee should examine thoroughly the subject of the home charges, and specially the report presented to the Government of India in 1884 by Colonel Conway-Gordon, R.E., and should work out and submit such recommendations in regard to economies as their examination may suggest to them. They will, at the same time, turn their attention to the division of the military charges between Her Majesty's Government and the Government of India, and will advise the Government of India whether the present distribution of these charges seems to call for revision, and, if so, what are their practical recommendations on the subject.

"5. The Government of India in the Financial Department will issue to the Committee the further instructions necessary for their guidance, the method to be pursued by them, and the procedure of enquiry, and will cause them to be furnished with all necessary information. The Committee will keep the Government of India in the Financial Department regularly informed of the progress of its enquiries, and will carry out its labours in close communication with that Department.

"6. His Excellency the Governor General in Council is pleased to nominate the following gentlemen to be Members of the Committee :—

MR. C. A. ELLIOTT, C.S.I., LL.B., C.S., Chief Commissioner of Assam—*President*.

HON'BLE MR. JUSTICE CUNNINGHAM.

HON'BLE DR. W. W. HUNTER, C.S.I., C.I.E., LL.D., C.S.

HON'BLE RAO BAHADUR MAHADEO GOVIND RANADE, M.A., LL.B.

MR. J. WESTLAND, C.S., Comptroller and Auditor General.

LIEUT.-COL. A. J. FILGATE, R.E., Accountant General, Public Works Department.

MR. H. W. BLISS, C.S., Commissioner of Salt and Ahkari Revenue, Madras Presidency.

MR. ROBERT HARDIE, Secretary and Treasurer, Bank of Bengal.

"With the above-named General Members of the Committee, His Excellency will be prepared to associate, on the recommendation of each Local Government or Administration, one or at most two Local Members, who will sit with the General Members when they visit the locality, and correspond with them at other times."

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3. The tenor of these orders was to place considerable restrictions on the *Limitation of the field of* functions of the Finance Committee, and the terms, in *enquiry.* which they were debarred from interfering with arrangements deliberately made and sanctioned by the Secretary of State, might have been interpreted in a manner capable of very wide expansion. It was therefore thought expedient to make a special reference to the Government of India, and to ask for instructions concerning some specific instances. The Committee were informed in reply that they were not empowered to propose any change in the organic structure of the Administration; and, as to the specific cases put, that an enquiry into the status of the Governors of Madras and Bombay, the general question of the salaries of the Civil Service, and questions relating to the system of issuing Government loans and to concessions or guarantees given to Railway Companies, were beyond the field of their enquiries. Later on, the appointment of the Public Service Commission, under the presidency of Sir Charles Aitchison, relieved the Finance Committee of another subject, as to which they had, under the instructions of the Government of India, commenced to enquire, *viz.*, the limits within which the rule should be applied that Natives of India, when holding posts to which Europeans are usually appointed, shall receive two-thirds of the salaries usually attached to those posts.

4. The President, Mr. Cunningham, and the Secretary took charge of their *Commencement of operations.* duties early in March, and, with the sanction of the Government of India, General Circulars were issued to the Local Governments and Heads of Imperial Departments and to Public Bodies and Associations inviting co-operation and suggestions as to economy: a preliminary enquiry into the Provincial expenditure of Bengal was also opened in Calcutta, and into that of the North-Western Provinces at Allahabad, where Colonel Filgate joined the Committee; but the whole body of the members did not come together till about the middle of April at Simla, and the first meeting of the entire Committee was held on the 24th April. Sub-Committees were formed, each consisting of two or three members, to examine into the expenditure of the Provincial Governments and the Imperial Departments, the Army, and the High Courts; and into the Travelling and Hill Allowance Codes, and the Home charges. Their enquiries into this last head of expenditure were from the first limited so as to exclude any matter affecting the India Council and the cost of the India Office, and eventually they were stopped by the orders of the Secretary of State, and paragraph 4 of the Resolution above quoted was cancelled.

5. With regard to the Provincial Governments, the Committee began by *Nature of the enquiries made.* sending out a series of questions, based chiefly on the figures found in the Civil Estimates, asking for information wherever an increase of expenditure was found, and making enquiries designed to bring out differences of system and procedure in different Provinces. In these questions the comparative method was largely used, the Governments being invited to explain why they required scales of salary and strengths of establishment, which were not found necessary elsewhere. An analysis of the receipts and expenditure during the expiring Contract was prepared, and estimates were framed of the probable initial receipts and expenditure for the new Contract; and these were in most cases submitted to the Local Governments as a preliminary basis of discussion. The expenditure of the Imperial Departments was examined in the same manner as that of the Provincial Departments. The enquiries made in respect of the High Courts related not only to the number and strength of their establishments, but also to the amount of work done and the number of working days, the system on which court-fees are levied in the High Courts,

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and the possibility of making any alteration in their original and appellate jurisdiction, so that some of the less important classes of work, now done in the High Court, might be relegated to less expensive tribunals, if it could be done without any risk of a miscarriage of justice. With regard to the Travelling Allowance and Hill Allowance Codes, the Committee investigated the amount spent on the annual move to the hills, the changes recently made in the Code, and the principles on which the existing rules are based, with a view to modifying the principles and laying down more economical rates of allowances. They also dealt with the question of expenditure entailed by the purchase of European stores in India, and the larger employment of locally manufactured articles. In dealing with military expenditure, the first business of the Committee was to ascertain what proposals of the Army Commission had been carried into effect and what remained to be done; and after this they proceeded to investigate more closely the details of the outlay on the various auxiliary departments of the Army—a branch of the enquiry which, except so far as related to the *personnel* of the principal officials, the Army Commission had hardly touched. The results of the Committee's labours as regards the Provincial Contracts and the expenditure of Provincial Departments will be found in the first Volume of this Report; the results of all other enquiries, so far as they were completed in time, in the second Volume.

6. The Committee decided that generally speaking it was better not to take oral evidence in the first place, nor did they invite witnesses to appear before them in order to make *viva voce* statements of their suggestions as to economy. Such suggestions, they considered, could be better worked out by their author and more carefully considered by the Committee, if submitted in writing; and suggestions in this form were invited from the public. Notes were also printed and issued asking for information on specific points, and indicating suggestions which had been laid before the Committee; and on the receipt of replies to these, the Heads of Departments or other experts were invited to meet the Committee in conference in order to explain any matters not fully cleared up in the replies or new questions arising out of these replies.

7. The Committee assembled in the first place at Simla because of the convenience it afforded for discussion with the Chief Officers of Government and for ready access to Government records; but as soon as the preliminary estimates of Provincial Finance had been drawn up, and time had been given for the Local Governments to prepare replies to the questions which had been issued, it was arranged that a portion of the Committee should visit the head-quarters of the different Local Governments, to confer with the Chief Officers and the Heads of the Administration in each Province, regarding the questions which had to be settled before their proposals for reduction of expenditure and for the framing of the new Contracts could be drawn up. The authority of the whole Committee in respect of making these proposals was delegated to the members on tour in the terms of the following Resolution:—

The Committee delegate to the President and the Members on tour their authority in respect of making suggestions and proposals to the Government of India on the understanding that—

- (a) Any proposals that are submitted to the Government of India shall be so drafted as to show which of these the Local Members and Local Governments accept and which they do not accept.
- (b) Copies of such proposals shall be sent to each Member, who can record a dissent at any subsequent time, if any reduction is proposed with which he disagrees.

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8. Some discussion took place in the Committee as to the principles on which the future Provincial Contracts should be framed, and on the 26th of July the orders of the Government of India were received directing that, on the whole, the same system that was adopted in 1882 should be followed in 1887, but that the Provincial share of the increase in the Revenue should in future be one-fourth in the case of Land Revenue and Excise, and three-fourths in the case of Stamps, the other divided heads remaining unaltered. Some further suggestions were made, to be discussed by the Committee with the Provincial Governments, concerning the exclusion of certain heads, which had hitherto been Provincial, from the Contract, and concerning the inclusion of certain other heads in it: it was suggested that Superannuations, Customs, and Salt (except some miscellaneous local items) should be made wholly Imperial in future, and that Irrigation and Embankments should be provincialised in the Punjab, Bombay, Madras, and Bengal; also that the Eastern Bengal Railway should be made Provincial and the Patna-Gya, Dildarnagar-Ghazipur, and Cawnpore-Achneyra Railways should be made Imperial. The effect of these alterations will be found in the Chapters dealing with the Provincial Contracts.

9. The conferences with the chief officers of the Punjab Government, and finally with the Lieutenant-Governor himself, were held at Simla in July, and the Committee's Note on the future Contract, which is printed as Chapter III of this Volume, was written as soon after this as some information, which was then wanting, could be procured.

10. On the 31st July the travelling Members of the Committee (the President, Mr. Westland, Colonel Filgate, and Mr. Bliss) started on their tour to visit the different Provinces and confer with the Local Governments with a view to drawing up their proposals as to the future Contracts. It was arranged that they should be joined in Poona by Mr. Ranade and in Bombay by Mr. Cunningham, both of whom would give special attention to the enquiry into the expenditure of the High Courts, and also would assist in the discussions relating to the Provincial Contracts.

11. The first place visited was Naini Tal, where the Members on tour remained from the 3rd to the 15th of August inclusive. After discussing all necessary details with the Heads of Departments, they held a final conference with the Lieutenant-Governor on the 13th, and drew up their Note containing recommendations as to the Provincial Contract. This is now printed as Chapter IV of this Volume.

12. From Naini Tal Mr. Westland and Colonel Filgate went by Allahabad (where they stayed for a day to make some further enquiries) to Nagpore. There they met the Chief Commissioner and his chief officers and discussed the contract to be made with the Central Provinces, the particulars of which will be found in Chapter V. The President travelled by way of Abu to confer with the Agent, Governor General, Rajputana, on the expenditure under his charge.

13. The travelling Members of the Committee met again at Poona on the 26th August, and examined the heads of the different Departments, and were joined there by the two Local Members, Mr. Lec-Warner and the Hon'ble Mr. Forbes Adam, who assisted in all their deliberations. They visited Bombay, where they were joined by Mr. Cunningham, and remained there a few days to enquire into the expenditure of the High Court and confer with the

Introductory.

Chief Justice. On their return to Poona, they laid before the Government of Bombay the heads of their suggestions for economy, but were informed that that Government would prefer not to discuss them verbally, but would answer in writing when the Committee's Note was laid finally before them. They also discussed the military questions, which they had under enquiry, with His Excellency the Commander-in-Chief, the Quarter Master General and Adjutant General of the Army, the Commissary General, Controller of Military Accounts, and other Military Officers. The proposals relating to the Bombay Contract form Chapter VI of this Volume.

Bombay Contract.

14. They left Bombay on the 18th September and arrived at Madras on the 22nd, where they were joined by the two Local Members for Madras, Mr. Garstin and Mr. H. E. Stokes.

Madras Contract.

They discussed all necessary details with the Heads of Departments and held a conference with His Excellency the Governor of Madras and his Council, at which they stated their suggestions, and were informed how far the Government were prepared to accept them. Their Note on the Contract with this Province is Chapter VII of this Volume. They also examined into the expenditure of the High Court and held a conference with the Chief Justice to inform him of their proposals and to hear his views regarding them. In the absence of His Excellency the Commander-in-Chief and his staff in Burma, the Committee were not able to pursue their enquiries regarding the expenditure of the Army to a great length; but they conferred with the Military Secretary to the Government, the Controller of Military Accounts, and some other Military Officers.

15. From Madras the travelling Members of the Committee went by sea to Calcutta and thence to Darjeeling, where they were joined by the Local Members for Bengal, Colonel S. T.

Bengal Contract.

Trevor and Mr. R. H. Wilson. They pursued their enquiries on the same system, and laid their recommendations at a final conference before the Lieutenant-Governor.

16. On the 1st November, the whole of the Committee (except Mr. W. W. Hunter, who had taken privilege leave and did not rejoin till the 4th of December) re-assembled at Calcutta. They were principally occupied till the 20th of December in drawing up their Notes on the Provincial Contracts with Bengal, Assam, and Lower Burma, which appear as Chapters VIII, IX, and X of this Volume, and in investigating the expenditure of the Calcutta High Court, after completing which they held a conference with the Chief Justice to explain their own and to hear his views regarding the suggestions which occurred to them. They also finished some other miscellaneous subjects of enquiry. They did not visit Assam or Burma, the former because the President, as Chief Commissioner of Assam, was personally acquainted with the financial details of that Province, and the latter because the country was in too disturbed a state for any enquiry into its expenditure to be fruitful, and because the Chief Commissioner was engaged in Upper Burma and could not have met the Committee.

17. On the 15th November, Mr. Westland took charge of his duties as Secretary to the Government of India in the Financial Department, and from that date, though not ceasing to be a Member of the Committee, he was unable to give the whole of his time to its work.

Mr. Westland's appointment to be Secretary, Financial Department.

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18. On the 29th September, the Government of India had directed the Committee to submit their Report "on the whole result of the enquiries entrusted to them," by the 20th December; but it was obvious that it would be impossible for them to bring their enquiries on a large number of important subjects to a close by that date. Accordingly a list of the Departments and questions under investigation, with a statement of the stage at which the enquiry had in each instance arrived, was drawn up and submitted to the Government of India, and their orders thereupon were solicited. The Government of India replied to the effect that whatever work, begun by the Committee, remained unfinished on the date fixed for their dissolution, should be taken up and carried on by special officers, whom Government would designate for this purpose. The correspondence referred to is printed *in extenso* as an Appendix to this chapter.

19. In accordance with these instructions, the Committee met for the last time on the 20th December, and resolved that it was impossible for them, through want of time, either to complete the investigation of the subjects, on which no report had, up to date, been drawn up, or to reconsider the Notes which had from time to time been submitted to Government, or to throw such recommendations as had already been made into the form of a general and comprehensive report on the finances of India and the possibilities for future economy. The only plan that could be adopted was that their separate Notes, submitted from time to time, should be taken as their Report, and should be prefaced by an introductory chapter giving a short history of their proceedings, and by a summary of the proposals as to the Provincial Contracts, which might be more suited for giving information to the public than the long and technical Notes themselves. The Resolution recorded by the Government of India on the receipt of the President's report to the above effect is printed in the Appendix to this chapter.

20. The savings to be effected by the economies which the Committee have suggested, may be summed up as follows.

21. First, as to the Provincial Contracts. In the Punjab, revenue and expenditure are only just in equilibrium, and the Contract will be renewed without any gain to the Imperial Government. In Burma, also, there can be no gain, and the finances of the Province are in too disturbed a state for any arrangement to be made, other than a provisional renewal of the Contract for a short period. The North-Western Provinces, it is calculated, can surrender R12,65,000 of their Revenues to the Imperial Treasury; the Central Provinces R1,85,000; Bombay, R27,06,000; Madras, R14,07,000; Bengal, R11,52,000; Assam, R1,86,000. The total gain to the general finances of the State by the renewal of the Provincial Contracts will be, if all the Committee's suggestions are accepted, R69,01,000.

22. Secondly, the Committee have made a large number of recommendations in the Provincial Notes leading to reductions of various kinds, which have not, for the most part, as yet been considered or accepted by the Local Governments or by the Government of India, and of which accordingly the Committee did not take any account in framing their proposals for the future Contracts. The savings anticipated,

Introductory.

if these suggestions are carried out, may be estimated to amount to the following sums :—

	R
Punjab	1,88,000
North-Western Provinces	1,73,000
Central Provinces	24,600
Bombay	3,80,000
Madras	4,02,000
Bengal	3,64,000
Assam	17,600
Burma	22,000
TOTAL .	15,71,200

23. Thirdly the economies, which the Committee have suggested in the Imperial and Miscellaneous Departments, the Notes concerning and in the Imperial Departments, which will be found in the second volume of this Report, are estimated to amount to Rs43,75,000.

24. Thus the total gain to Imperial Finance, which will be ultimately secured if all the Committee's suggestions are approved, amounts to Rs1,28,47,000.

25. The Committee desire to convey their thanks to the several Chambers of Commerce and to the Public Bodies and Associations which have answered their Circular inviting assistance, or have otherwise offered suggestions to a like effect. Some of the replies have been turned to account in the recommendations submitted to Government and all have been carefully considered; but for the most part the suggestions made were either too vague for practical treatment, or were directed to subjects which were beyond the limits prescribed for the Committee's enquiries, such as the abolition of Governorships and Councils, the general reduction of salaries, or radical changes in the organic structure of the Administration. A selection from the more important replies will be found among the Appendices to the second volume of this Report. (See Appendix VI to Volume II.)

26. The Committee desire, in conclusion, to express their obligations to their Secretary, Mr. S. Jacob, for the valuable services he and to the Secretary, Mr. Jacob, has rendered to them, which will, they trust, be duly acknowledged by the Government of India.

C. A. ELLIOTT.
H. S. CUNNINGHAM.
W. W. HUNTER.*
M. G. RANADE.*
J. WESTLAND.
A. J. FILGATE.
H. W. BLISS.
R. HARDIE.

* Subject to dissent and reservations.

Introductory.

APPENDIX.

CORRESPONDENCE AND ORDERS RELATING TO THE DISSOLUTION OF THE COMMITTEE.

Copy of a letter, No. 3397, dated the 29th September 1886, from the Secretary to the Government of India, Department of Finance and Commerce, to the Secretary, Finance Committee.

"In continuation of my letter No. 3396 of this date, I am directed to state that His Excellency the Governor General in Council desires that the final report of the Finance Committee on the whole result of the enquiries entrusted to them may be furnished to Government by a date not later than the 20th of December next."

Copy of a letter, No. 621, dated the 11th December 1886, from the Secretary, Finance Committee, to the Secretary to the Government of India, Department of Finance and Commerce.

"I am desired to submit, for the orders of the Government of India, a list of the subjects which the Finance Committee has under enquiry, showing in a very brief way the condition in which they stood on the 10th of November, when the list was drawn up. The questions connected with the Provincial contracts, which were perhaps those which most required the collaboration of a strong and representative Committee, will have been entirely disposed of.

"2. Under the orders contained in your letter No. 3397, dated 29th September 1886, the Committee are to close their labours and submit their report by the 20th December next.

"3. The subjects named in the list may be divided into three classes: those regarding which enquiry has been completed, and the recommendations of the Committee have been submitted to the Government of India; those regarding which enquiries have been almost, or soon will be, completed, and it only remains for the Committee to formulate and submit their recommendations; and those which are still far from complete, and regarding which enquiry has only begun, and much further information must be collected before precise and well-considered recommendations can be made. A perusal of the list will show that the number of subjects belonging to the third class are both numerous and important, and that it is impossible for the Committee, in the limited time which remains, or even if that period were considerably extended, to dispose of them in the manner in which they ought to be treated, and to submit to the Government of India recommendations drawn up with as much care and deliberation as the subjects in the first and second classes have or will have received. All that seems possible is that the Committee should lay before the Supreme Government their preliminary notes, stating the nature of their enquiries set on foot and the suggestions which have occurred to them on the data before them, and which further information might have led them to adopt or reject.

"4. It is desirable that the Government of India should be placed in possession of these facts in order that it may not be led to expect from the Committee a report which will be exhaustive on all points touched upon, and also that it may be in a position to take the necessary steps for the completion of the enquiries into the subjects which belong to the third class."

Copy of a letter, No. 4745, dated the 17th December 1886, from the Secretary to the Government of India, Department of Finance and Commerce, to the Secretary, Finance Committee.

"I am desired to acknowledge receipt of your letter No. 621, dated 11th December 1886, forwarding, with reference to the orders of Government of 29th September 1886, No. 3397, a list of the subjects which the Finance Committee has under enquiry, and stating the condition in which the enquiry on each stood on the 10th November.

"2. His Excellency in Council is aware that the whole circle of enquiries at present before the Committee cannot be completed by the date fixed in the above-quoted orders; but so much of the enquiry as needed the collective labours of a Committee, as constituted in Resolution No. 649, dated 10th February 1886, has, it is observed with satisfaction, been practically completed.

"3. His Excellency in Council desires to make over to one or two officers, to be hereafter specially selected for that purpose, the prosecution of such enquiries as remain uncompleted after the date fixed in my letter No. 3397, dated 29th September 1886, and instructions regarding the officers to be selected, the subjects into which they should enquire, and the mode of enquiry to be adopted will be issued in due course."

Introductory.

Resolution by the Government of India, Department of Finance and Commerce,—No. 4821, dated Calcutta; the 24th December 1886.

The President of the Finance Committee having reported to the Government of India that, in accordance with the instructions conveyed in Financial Department No. 3397, dated 29th September, and No. 4745, dated 17th December, the Committee have made arrangements for the submission of their final report and have dissolved, it becomes necessary to arrange for the completion of enquiries in certain branches of the administration which have been instituted by the Committee, but for the prosecution and completion of which it is not necessary that so numerous a body as the Finance Committee should be retained.

2. The Government of India will dispose of the recommendations of the Committee in regard to the Provincial Contracts and such other subjects as can be disposed of on the reports already submitted. But the Government is not in a position to carry out effectively, without further aid, certain other of the enquiries which are at present in various stages of advancement, and which from their importance need the whole time and attention of the officers engaged in them. His Excellency in Council has, therefore, decided to avail himself for a further term of the services of Mr. C. A. Elliott, Chief Commissioner of Assam and late President of the Finance Committee; to appoint him, while engaged on these further enquiries, Finance Commissioner with the Government of India; and to appoint Colonel Filgate and Mr. Bliss to be on special duty with the Finance Commissioner with the Government of India for the purpose of assisting him in completing the enquiries confided to him. Mr. Elliott will act under the instructions of the Government of India in the Financial Department as to the subjects to which his attention is to be directed, and will arrange, in communication with that Department, the order in which they shall be taken up, the mode in which the enquiries are to be pursued; and all other matters connected with the work entrusted to him. It will be understood that in all such enquiries Mr. Elliott and his Colleagues are acting on behalf and with the authority of the Government of India in the Financial Department. It is the intention of His Excellency in Council that their labours should be directed to the completion of enquiries which have been instituted by the Committee and are actually in progress, and it will not, save in exceptional cases (which will be subject to the limits within which, in paragraph 3 of the Resolution No. 649, dated 10th February 1886, the Finance Committee were instructed to confine themselves), be necessary for them to enter upon the examination of branches of the administration other than those to which the Committee have directed their attention.

Mr. S. Jacob will be deputed to act as Secretary to the Finance Commissioner with the Government of India; and replies to any letters issued by the Secretary, Finance Committee, which have not been answered up to date, should be addressed to him in that capacity.

Summary of Provincial Contracts.

CHAPTER II.

SUMMARY OF PROPOSALS AS TO THE PROVINCIAL CONTRACTS.

The principle of financial decentralisation, as carried out in the Provincial Contracts, consists in making over to the eight Provincial Governments, subject to some limitations as to the creation of new appointments and some other minor matters, entire control over the administration and expenditure of certain Departments, and in enabling them to meet that expenditure by the grant of the whole of, or of a share in, the income derived from certain sources of revenue. An estimate is made of the amount, at which these heads of revenue and expenditure stand, at the time the Contract is made, and the condition of the Contract is, that all increase in expenditure during the term of the Contract shall be met by increase of revenue, the Province having no right to apply for help from the Imperial Treasury to meet its disbursements, unless it can be shown that these are due to some burden laid upon it which did not enter into the calculations on which the original Contract was based.

2. When this principle was first introduced in 1871, the Contract system was applied only to some of the chief Departments (*i.e.*, Jails, Police, Education, Public Works) none of the main sources of revenue being provincialised. The system was thus described by Sir Richard Temple in the Financial Statement for 1871-72—

“The Local Governments are to have a fixed annual allotment from the general exchequer for these particular services, and are to appropriate, as local income, all receipts connected therewith. They are to regulate (subject to certain general rules) all the expenditure on those services. If the existing income, namely, Imperial allotment, *plus* departmental receipts, shall suffice for the requirements of that expenditure, then that is well. If it shall not suffice, then the Local Governments are not to apply to the Government of India for increased grants. They must raise what they need by local taxation, or by such like means (subject to our central control) if they fairly can. But if they find that they cannot fairly manage this, then they must necessarily do without the increased expenditure. However much the necessity for doing without the increase may be regretted, there is no help for it. This is the only way of following the good old rule of cutting coat according to cloth. However important progress and improvement may be, financial safety is more important still.”

3. The Contracts thus made were revised in 1877, and the important step was taken of including in them some of the main revenue-producing heads. Sir John Strachey's remarks may be quoted as explaining the object of this extension (Financial Statement, 1877-78, paragraphs 78 and 79)—

“The weak point in those measures (*i.e.*, the Contracts of 1871-72) was this, that, while they transferred to the Local Governments the responsibility for meeting charges which had an undoubted tendency to increase, the income of which the Local Governments had to dispose, although not quite a fixed amount, had little room for development: the difficulty has perhaps not hitherto been generally felt to a serious extent, because it has been met by economy and good management: it must, however, be felt hereafter; and, for this and for still more important reasons, I have always maintained that the system of Provincial Assignments established in 1871 ought to be applied not only to expenditure but to income. What we have to do is, not to give to the Local Governments fresh powers of taxation, but, on the contrary, to do all that we can to render fresh taxation unnecessary, and to give to those Governments direct inducements to improve those sources of existing revenue which depend for their productiveness on good administration.

“I have a strong conviction of the financial importance of this matter; and the importance is not merely financial, if I am right in believing that better administration would give us a

Summary of Provincial Contracts.

large additional revenue of a thoroughly unobjectionable character, without the country feeling that any new burdens had been imposed upon it.

"How is this better administration to be obtained? The answer seems to me simple: it can be obtained in one way only,—not by any action which gentlemen of the Financial Department, or any other Department of the Supreme Government, can take while sitting hundreds or thousands of miles away in their offices in Calcutta or Simla,—not by examining figures and writing circulars,—but by giving to the Local Governments, which have in their hands the actual working of these great branches of the revenue, a direct and, so to speak, a personal interest in efficient management. It may be very wrong, but it is true, and will continue to be true while human nature remains what it is, that the local authorities take little interest in looking after the financial affairs of that abstraction, the Supreme Government, compared with the interest which they take in matters which immediately affect the people whom they have to govern. When Local Governments feel that good administration of the Excise and Stamps and other branches of Revenue will give to them, and not only to the Government of India, increased income and increased means of carrying out the improvements which they have at heart, then, and not till then, we shall get the good administration which we desire; and with it, I am satisfied, we shall obtain a stronger and more real power of control on the part of the Central Government than we can now exercise."

4. Under this Contract, the revenue derived from the following additional heads was made over to Local Governments:—
General Provisions of Contract of 1877. Excise, Stamps, Law and Justice (Courts), and Miscellaneous (with the exception of a few special items); certain purely local sources of income, connected with Customs, Salt, and Marine, were also made Provincial in the Maritime Provinces. This was the general arrangement; in some Provinces special heads were added, such as Assessed Taxes in the Punjab, the receipts from Government Estates in the North-Western Provinces, and the special Land Revenue Receipts connected with Service Commutations, &c., in Bombay. The arrangement was not accepted by Madras, with which Province accordingly the old Contract of 1871 still remained in force. With Assam and Burma new Contracts were made with effect only from the year 1878-79. In Assam, instead of a fixed allotment one-fifth of the land revenue of the Province was assigned. In the case of Burma the following heads of revenue and expenditure were classed as joint revenue and expenditure, and were divided between Imperial and Provincial, in the proportions of five-sixths and one-sixth respectively:—

Land Revenue (excluding Fisheries which were made entirely Provincial)

Forest Revenue.

Export duty on rice.

Salt Revenue.

A further important addition in these Contracts was the recognition of Provincial responsibility for Productive Public Works, such as Railways and Canals. These were Provincialised in the North-Western Provinces and Bengal, which Provinces were authorised to impose a Local Cess to cover the cost of carrying on such works, including interest on capital expenditure. Subsequently the principle was extended to the Punjab and the Central Provinces in respect of two Railways.

5. In making over the revenue from Excise, Stamps, and Law and Justice to the Local Governments, the Government of India reserved to itself a share in the future increase of those revenues. The figure, at which these revenues were to be assigned, was fixed for each year of the Contract, at an amount increasing by regular progression; and the Government of India also contracted to receive a half of any further increase, which might accrue in any year over and above this progressive figure, and to bear a half of any deficit. In the case of Bengal, however, in view of the burden which was imposed in respect of

Principle of divided heads how far introduced.

Summary of Provincial Contracts.

the interest on the Provincial Public Works expenditure, the Government of India agreed to forego any share in these revenues beyond the estimated annual increment.

6. The Contracts thus made expired in March 1882, and were then renewed for five years, additional heads of revenue such as The Contracts of 1882—87. Forests and Assessed Taxes and more especially Land Revenue being included, and the principle of division of shares being more widely applied, so that both the Provincial and Imperial Governments had an interest in the growth of income from all the revenue-producing heads. The following quotation from the Financial Statement of 1882-83 (paragraph 39) explains the view taken by the Government of India of this further extension of the principle :—

“In the first place, all the new Provincial settlements have now been based upon the principle, which was adopted in 1879 in respect to Burma. That principle is that, instead of giving Local Governments, as heretofore, a fixed sum of money to make good any excess of Provincialised expenditure over Provincialised receipts, a certain proportion of the Imperial revenue of each Province is, for the future, to be devoted to this object. Certain heads, as few in number as possible, are wholly, or with minute local exceptions only, reserved as Imperial. Others are divided in proportions, for the most part equal, between Imperial and Provincial. The rest are wholly, or with minute local exceptions only, made Provincial. The balance of revenues and charges thus made Provincial, being against the Local Governments, will be rectified for each Province by a fixed percentage on its Land Revenue (otherwise reserved as Imperial), excepting in the case of Burma, where the percentage will be extended to the Imperial rice export duty and the Salt Revenue also. The advantage of this system, over that which has hitherto generally prevailed, is that the Provincial Governments will be given a direct interest, not only in the Provincialised revenue, but also in the most important items of Imperial Revenue raised within their own Provinces.”

The Madras Government, which had declined to enter into the Provincial Contract in 1877, accepted the proposals now made to it, so that all the eight Provinces were included in this Contract.

7. In working out the Contracts with the different Governments, the revised Mode of working out the estimate of the year 1881-82 was taken as the basis of Contract of 1882. calculation; where that estimate showed a deficit on the year's accounts, it was assumed that the Province was spending its balances and could attain equilibrium either by reduction of expenditure, or by growth of revenue; where a surplus was shown, the Province was generally allowed to enjoy that surplus in the new Contract. But this principle in its application was subject to certain modifications. A reorganisation of the Subordinate Judicial and Revenue Services was being worked out, which was to entail considerable increase of expenditure. Bombay had a sum of ₹44,000 added to its income to meet that increase. Madras and Assam were promised whatever sum would be necessary to meet it; the Punjab, Central Provinces, Bengal, and North-Western Provinces had to meet it out of the assignment made to them. In Madras, again, it was admitted that the expenditure on Public Works ought to be increased, and a sum of two lakhs of rupees was entered in the Contract to provide for this want. In the North-Western Provinces the annual surplus was very large, ₹20,16,700; this was reduced by fifteen lakhs of rupees. In Bengal, where an annual deficit of ₹27,27,300 existed, and had to be met by diminished expenditure, a further reduction of thirty lakhs of rupees was enforced, it being held that the expenditure on Public Works would still be abnormally high even after the reduction of 27½ lakhs had been effected. In Burma there was an annual deficit of ₹7,46,700, and it was held that this would be covered in a very short time by the rapid growth of revenue, and that, till equilibrium was attained, the Province could exist by drawing on its balances. In order, however, to ease off these reductions, additions were made

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to the balances possessed by these Provinces: Bengal received a grant of 28½ lakhs of rupees, the North-Western Provinces received 5½ lakhs, and Burma 2 lakhs.

8. The possession of large balances has not in all cases proved beneficial to the Province concerned. Its natural effect is to create an impression of affluence, and to weaken the sense of the necessity of reverting to a reduced scale of expenditure, so that the annual income and outgoings may balance each other. Where the balances are spent on the construction of such works that, when the reserve is exhausted, the works will have been completed or can be stopped, no injury ensues; but where the expenditure incurred is a permanent increase of establishments, the Province is liable to be left with an exhausted treasury and a recurring deficit. This difficulty was accentuated by the issue of orders by the Secretary of State in 1883, laying down a minimum balance which each Province was to keep up as a safeguard against famine or any unexpected emergency; for the Provinces found that the sum, which they had thought they could draw upon to meet their excess expenditure till the growth of revenue placed them in equilibrium, was suddenly diminished by the amount which had to be set aside as a Reserve.

9. The following figures show the annual surplus or deficit, and the initial balance with which each Province started at the beginning of the new Contract of 1882:—

	Surplus or deficit.	Provincial balance.
	Rs	Rs
Central Provinces	+ 2,60,600	16,16,000
Burma	— 7,46,700	35,09,600
Assam	+ 1,09,000	10,39,900
Bengal	— 57,27,300	75,43,000
North-Western Provinces	+ 5,16,700	1,13,54,000
Punjab	+ 3,16,500	29,92,900
Madras	+ 2,24,000	17,09,400
Bombay	+ 6,84,000	32,19,100
	TOTAL	3,29,83,900

10. In the figured statement which follows, will be found an abstract of the working of this Contract in each Province. On the side of Receipts, the Provincial income is set out under four heads. The first column shows what the great revenue-producing heads have brought in,—that is to say, the Land Revenue, Excise, Stamps, Forests, Registration, License Tax, together with some small receipts from Salt and Customs, which are for the most part Imperial heads. The next column shows the receipts under the Civil Departments, of which the chief component parts are Judicial fines, Jail manufactures, cattle pound fines and sales, school fees and the like. The Public Works receipts are divided into (a) ordinary income, from ferry receipts, sales of old stock, &c.; and (b) the net income from railways and canals, after setting working expenses against gross receipts. On the expenditure side, the outlay on the Civil, *i.e.*, the Administrative Departments of Government, is shown apart from that on the Public Works Department, and under the latter the outlay on ordinary Public Works (*i.e.*, Roads and Buildings) is separated from the capital expenditure on Railways or Canals, and from the charges on account of interest on borrowed Capital. It must further be explained that, in this statement, the figures for 1885-86 and 1886-87 are those of the Revised Estimate and of the Budget Estimate of those years. The receipts and expenditure in each Province are compared with

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the assignment; but as the original assignment of 1882 has in every case been altered in the course of the period, sometimes very considerably, through the transfer of fresh items of receipt and expenditure to the Contract, the average figure for the five years has been taken in the first and last lines as the basis for comparison with the actual results.

Statement of Provincial Revenue and Expenditure from 1882-83 to 1886-87.

In Thousands of Rupees.

	REVENUE.					EXPENDITURE.				
	CIVIL.		PUBLIC WORKS		TOTAL.	PUBLIC WORKS.				TOTAL.
	Principal Revenue Heads.	Other Departments.	Ordinary.	Railways and Irrigation, &c., not.		CIVIL.	Ordinary.	Interest on Railway and Irrigation, &c., Capital.	Capital Expenditure.	
Punjab—										
Average Assignment	1,24,31	22,07	6,03	4	1,52,50	1,24,65	24,65	4	...	1,49,34
1882-83	1,21,00	17,47	6,25	11	1,44,83	1,18,19	30,42	34	6,22	1,55,17
1883-84	1,22,93	21,61	6,13	42	1,51,09	1,25,27	27,32	1,11	...	1,53,70
1884-85	1,25,46	13,38	5,85	32	1,50,01	1,24,70	23,11	1,81	...	1,54,62
1885-86 (Revised)	1,31,99	20,11	5,78	62	1,58,50	1,23,17	25,23	1,98	...	1,55,38
1886-87 (Budget)	1,31,88	18,74	5,42	83	1,56,67	1,33,10	27,53	2,00	...	1,62,63
Total of the five years	6,33,26	96,31	29,43	2,30	7,61,30	6,29,43	1,33,61	7,24	6,22	7,81,50
Five times average Assignment	6,21,55	1,10,35	30,40	20	7,62,50	6,23,25	1,23,25	20	...	7,46,70
North-Western Provinces and Oudh—										
Average Assignment	2,27,94	19,24	9,44	23,90	2,85,52	2,24,90	29,33	26,12	...	2,80,35
1882-83	2,32,43	18,22	12,74	35,05	2,98,44	2,14,81	31,72	26,48	33,67	3,06,68
1883-84	2,40,87	21,27	10,51	35,56	3,08,21	2,28,09	40,82	26,67	49,40	3,43,98
1884-85	2,39,47	17,39	8,89	41,73	3,07,48	2,32,95	36,36	27,25	17,82	3,14,33
1885-86 (Revised)	2,39,94	17,34	9,65	22,56	2,89,49	2,34,67	34,63	27,00	17,19	3,13,49
1886-87 (Budget)	2,41,03	18,40	9,00	24,43	2,92,86	2,37,61	34,17	27,52	12,19	3,11,49
Total of the five years	11,93,74	92,63	50,79	1,59,33	14,96,48	11,48,13	1,77,70	1,34,92	1,29,27	15,90,02
Five times average Assignment	11,39,70	96,20	47,20	1,44,50	14,27,60	11,24,50	1,46,65	1,30,60	...	14,01,75
Central Provinces—										
Average Assignment	55,17	7,02	79	71	63,69	49,31	9,08	2,69	...	61,08
1882-83	56,12	7,94	71	3,68	68,45	51,53	10,08	3,45	1	65,07
1883-84	58,15	7,02	65	6,50	72,32	50,75	10,45	3,49	...	64,69
1884-85	58,34	6,69	63	5,58	71,29	51,49	14,28	3,72	...	69,49
1885-86 (Revised)	57,60	7,14	55	5,60	70,89	52,15	13,43	3,93	...	69,51
1886-87 (Budget)	57,96	6,86	57	4,60	69,99	55,40	15,72	4,14	...	75,26
Total of the five years	2,88,17	35,65	3,16	25,96	3,52,94	2,61,32	68,96	18,73	1	3,44,02
Five times average Assignment	2,75,85	35,10	3,95	3,55	3,18,45	2,46,55	45,40	13,45	...	3,05,40
Bombay—										
Average Assignment	2,57,58	20,05	6,31	...	2,83,94	2,47,53	29,57	...	...	2,77,10
1882-83	2,58,03	17,32	7,16	...	2,82,51	2,47,91	34,87	...	...	2,82,78
1883-84	2,81,02	17,97	7,10	...	3,06,09	2,56,28	36,94	...	...	2,93,22
1884-85	2,76,92	17,95	8,17	...	3,03,04	2,60,71	42,01	...	22	3,02,94
1885-86 (Revised)	2,96,63	20,11	7,99	...	3,24,73	2,72,69	35,51	...	10	3,03,30
1886-87 (Budget)	2,87,84	20,63	7,53	...	3,16,05	2,77,72	46,99	...	36	3,25,07
Total of the five years	14,00,44	94,03	37,95	...	15,32,42	13,15,31	1,96,32	...	68	15,12,31
Five times average Assignment	12,87,90	1,00,25	31,55	...	14,19,70	12,37,65	1,47,85	...	...	13,85,50
Madras—										
Average Assignment	2,00,50	17,59	1,78	—2,13	2,17,74	1,96,57	18,93	...	...	2,15,50
Special grants.										
1882-83	2,09,35	17,91	79	—2,12	2,32,43	1,98,59	21,36	...	1,03	2,21,03
1883-84	2,13,50	15,70	1,47	—2,77	2,30,40	2,04,16	21,93	...	1,59	2,30,63
1884-85	2,12,52	15,96	1,09	—3,92	2,30,65	2,09,39	29,72	...	1,24	2,40,35
1885-86 (Revised)	2,26,55	16,22	1,12	—5,70	2,43,19	2,09,44	24,64	...	1,60	2,35,63
1886-87 (Budget)	2,25,34	15,93	1,10	—4,12	2,43,25	2,13,60	24,65	50	1,45	2,40,20
Total of the five years	10,87,26	81,72	5,57	—18,63	11,79,92	10,35,18	1,25,30	50	6,96	11,67,94
Five times average Assignment	10,02,50	87,95	8,90	—10,65	10,88,70	9,82,85	94,65	...	...	10,77,50

Summary of Provincial Contracts.

Statement of Provincial Revenue and Expenditure, &c.—(continued.)

	REVENUE.					EXPENDITURE.				
	CIVIL.		PUBLIC WORKS.			TOTAL.	PUBLIC WORKS.			
	Principal Revenue Heads.	Other Departments.	Ordinary.	Railways and Irrigation, &c., net.	Ordinary.		Interest on Railway and Irrigation, &c., Capital.	Capital Expenditure.	TOTAL.	
										1	2	3	4	5	6	7	8	9	10
Bengal—							(a)		(a)	(a)
Average Assignment	2,86,81	45,59	7,05	17,61	3,57,12	2,72,66	50,75	33,71	...	3,57,12
1882-83	2,95,25	47,48	7,36	21,66	3,71,75	2,84,46	70,17	35,40	35,63	4,25,71
1883-84	2,98,48	47,26	7,91	20,29	3,73,94	2,86,87	50,42	37,95	13,30	3,88,54
1884-85	2,98,56	48,60	12,61	16,88	3,76,65	2,95,49	32,81	39,86	3,34	3,71,50
1885-86 (Revised)	3,01,26	49,07	7,22	20,92	3,78,47	2,96,12	30,55	41,93	5,08	3,73,77
1886-87 (Budget)	3,01,85	49,40	7,44	24,18	3,82,87	3,00,43	34,75	43,59	4,75	3,83,52
Total of the five years	14,95,40	2,41,81	42,54	1,03,93	18,83,68	14,63,37	2,18,70	1,98,78	62,15	19,43,00
Five times average Assignment	14,34,20	2,27,95	35,25	88,20	17,85,60	13,63,30	2,53,75	1,68,55	...	17,85,60
Assam—										
Average Assignment	33,90	2,94	20	...	42,04	30,62	10,33	...	...	40,95
1882-83	39,13	3,08	16	...	42,37	29,77	11,28	...	...	40,98
1883-84	41,32	3,41	10	...	44,83	31,82	12,47	...	1,06	45,35
1884-85	42,52	3,41	5	-3	45,95	32,76	11,78	58	4,89	50,01
1885-86 (Revised)	42,14	3,44	6	-5	45,59	32,15	8,48	1,00	2,71	44,34
1886-87 (Budget)	42,80	3,54	6	+1	46,41	33,83	14,17	1,05	48	49,53
Total of the five years	2,07,91	16,88	43	-7	2,25,15	1,60,26	58,18	2,63	9,14	2,30,21
Five times average Assignment	1,94,50	14,70	1,00	...	2,10,20	1,53,10	51,65	...	...	2,04,75
Burma—							(a)			(a)
Average Assignment	86,62	8,95	1,10	2,07	99,64	67,99	26,06	5,59	...	99,64
Special Grants.										
1882-83	88,52	7,99	57	-2,72	94,36	75,19	31,20	6,00	...	1,13,29
1883-84	94,61	6,63	49	+1,10	1,07,00	76,47	29,19	8,53	...	1,14,19
1884-85	81,58	6,94	69	+1,73	97,60	76,17	20,25	9,92	23	1,06,57
1885-86 (Revised)	84,55	7,73	48	+3,23	93,29	74,04	13,53	10,72	...	93,29
1886-87 (Budget)	85,20	7,65	46	+5,71	99,02	75,99	12,09	10,93	...	99,01
Total of the five years	4,34,46	36,94	2,69	9,05	4,96,27	3,77,86	1,06,26	47,00	23	5,31,35
Five times average Assignment	4,33,10	44,75	5,50	14,85	4,98,20	3,39,95	1,30,30	27,95	...	4,98,20
Total for all Provinces.										
Special Grants.										
Total of the five years	67,40,64	6,95,96	1,72,56	2,81,87	79,28,16	63,90,86	10,85,03	4,09,80	2,14,66	81,00,35
Five times average Assignment	63,89,30	7,17,25	1,63,75	2,40,65	75,10,95	60,69,65	9,95,00	3,40,75	...	74,05,40

(a) The figures in columns 7 and 10 for Bengal and Burma have been reduced, and the Capital Expenditure (column 9) for Bengal has been struck out, so as to make the assignment (which assumed that an existing deficit would be met by decreased expenditure) work out to equilibrium.

N.B.—Figures for average assignment.—Where additional grants have been given, or the original grants have been modified, in years subsequent to that from which the Contract ran, one-fifth of these additional grants or of the modifications of the original grants has been added to, or deducted from as the case may be, the original grants, and the net result shown as the "Average Assignment."

Subsidised Railways.—The charges on account of these Railways have been included in column 8, "Interest on Capital."

Contributions have been shown as Civil Receipts "Other Departments" or Civil Expenditure, for Madras, Bombay, Burma, and the Punjab; and as Public Works, Ordinary Expenditure for Assam and the Central Provinces; and have been divided between the Civil and Public Works heads for Bengal and the North-Western Provinces.

Madras Water Works.—The charge on this account includes interest, but the whole has been classed as "Capital Expenditure."

Miscellaneous Railway Expenditure has been classed under "Capital Expenditure."

Famine Relief.—The charges on this account have been classed as Public Works "Ordinary."

Agricultural Works Expenditure, Bengal, has been classed under Public Works "Ordinary," being covered by receipts which are shown in column 3.

11. The result of the five years working has been, that in the eight Provinces taken together, the total revenue has exceeded five times the assignment by Rs4,17,21,000, or 5.4 per cent.; the total expenditure has exceeded five times the assigned figure by Rs6,94,95,000, or 9.4 per cent.; the actual expenditure of the five years, or Rs81,00,35,000, has exceeded the actual revenue or Rs79,28,16,000 by Rs1,72,19,000, and the Provincial balances have been reduced by this amount. The income

Summary of results.

Summary of Provincial Contracts.

from the revenue-producing heads alone has increased (as compared with five times the assignment) by Rs.51,34,000 or 5.5 per cent. : while that from the Civil Departments has fallen off by Rs.21,29,000 or 3 per cent. The income from ordinary Public Works has increased by Rs.8,81,000 or 5.4 per cent., and the net income from railways and canals by Rs.41,22,000 or 17.1 per cent. The expenditure under the heads of the regular Civil Administration has exceeded five times the assignment by Rs.3,21,21,000 or 5.3 per cent. : that on ordinary Public Works by Rs.90,03,000 or 9.2 per cent., while the charge for interest has grown by Rs.69,05,000 or 20.3 per cent. On the construction of new works a capital outlay of Rs.2,14,66,000 has been incurred for which no provision was made in the assignment. These two latter sums very nearly equal the amount provided in the assignment as annual surplus, added to the sums by which the Provincial Balances have been reduced ; so that it may be broadly said that, during the five years passed, the surplus provided in the contract and the excess by which the balances exceeded the fixed minimum have been used in new construction and in meeting the growth of interest on Imperial capital lent to the Provinces for the construction of productive works, while the normal growth of the revenue has been almost entirely devoted to the growing demands of administration. The figures may be summarised and compared as follows :—

Lakhs of rupees.		Net by		Lakhs.
Increase of expenditure on capital construction	215	Reduction of Balance		172
Increase of Interest charges	69	Utilisation of assigned surplus		116
TOTAL	284	TOTAL		288
Increase under Civil Heads of Administration	321	Increase in Civil Branches of Revenue (including Public Works Ordinary)		339
Increase in Ordinary Public Works	90	Net increase, Railways and Canals		41
TOTAL	411	Special grants		37
		TOTAL		417

12. The next table gives in a brief form an abstract of the preceding one, and shows for each Province what the increase over the assignment has been in the five years, and what the percentage of that increase has been.

Abstract Statement of increase and decrease of Provincial Revenue and Expenditure from 1882-83 to 1886-87.

ACTUALS AS COMPARED WITH ASSIGNMENTS.												
PROVINCES.	RECEIPTS.						EXPENDITURE.					
	Principal Revenue Heads.		Other Civil Departments.		Public Works.		Civil.		Public Works Ordinary.		Public Works Interest.	
	Increase + Decrease—.	Per cent.	Increase + Decrease—.	Per cent.	Increase + Decrease—.	Per cent.	Increase + Decrease—.	Per cent.	Increase + Decrease—.	Per cent.	Increase + Decrease—.	Per cent.
1	2	3	4	5	6	7	8	9	10	11	12	13
	(a)		(a)		(a)		(a)		(a)		(a)	
Punjab	+ 11,75	1.89	—14,04	12.72	+ 1,13	3.69	+ 6,18	.99	+ 15,36	12.46	+ 7,04	35.20
N.-W. Provinces	+ 54,01	4.74	— 3,58	3.72	+ 18,42	9.60	+ 25,13	2.24	+ 29,55	19.94	+ 4,32	3.30
C. Provinces	+ 12,32	4.46	+ 55	1.56	+ 21,62	28.26	+ 14,77	5.99	+ 18,56	40.86	+ 5,28	39.25
Bombay	+ 1,12,54	8.73	— 6,22	6.20	+ 6,40	20.28	+ 77,66	6.27	+ 48,47	32.78	...	(c)
Madras(b)	+ 84,76	8.45	— 6,23	7.08	— 11,31	64.28	+ 52,33	5.32	+ 30,65	32.38	+ 50	(c)
Bengal	+ 61,20	4.26	+ 13,86	6.08	+ 23,02	18.64	+ 1,00,07	7.34	— 35,05	13.81	+ 30,23	17.93
Assam	+ 13,41	6.89	+ 2,18	14.82	— 64	64	+ 7,16	4.67	+ 6,53	12.64	+ 2,63	(c)
Burma(b)	+ 1,36	.31	— 7,81	17.45	— 8,61	42.30	+ 37,91	11.15	— 24,04	18.44	+ 19,05	...
TOTAL	+ 3,51,34	5.50	— 21,29	2.96	+ 50,03	12.37	+ 3,21,21	5.29	+ 90,03	9.05	+ 69,05	20.26

N.B.—Capital Expenditure has been omitted here as there were no assignments made for such expenditure.

(a) Thousands of Rupees.

(b) The special grants have not been taken into account.

(c) There being no assignment on percentage can be given.

Summary of Provincial Contracts.

Under the great revenue-producing heads of Land Revenue, Excise, Stamps, Forests and Registration, the general growth of Revenue has been 5·33 per cent. or 1·066 per cent. annually; it was largest in Bombay, next largest in Madras, and next in Assam: the North-Western Provinces, Central Provinces, and Bengal follow pretty closely together; and it was least of all in the Punjab and in Burma. The receipts under other Civil Departments have fallen off everywhere except in Bengal, Assam, and the Central Provinces. The chief items here are judicial fines, jail manufactures, pound fines and sales, and ferry tolls: these have generally diminished, the first through a decrease of crime, the seasons having been prosperous; the second through the orders of the Government of India limiting the employment of prisoners on manufactures, orders now for the most part cancelled; and the fourth item through the completion of railway and other bridges which supersede the tolls. In treating of the expenditure heads it must be remembered that in some Provinces, especially the North-Western Provinces, a good deal of expenditure on education and medical services has been transferred to Local Boards; and that the figures in the table show, not actual increase, but excess above the assignment, so that where, as in the Punjab, any great increase in the cost of the administrative machinery has been accompanied by a special assignment of funds from the Government of India, the increase does not appear in this table, and in order to ascertain what the actual growth of expenditure has been, reference must be made to the remarks under the head of each Province later on. As far, however, as the figures in columns 8 and 9 of the above table can be used to indicate the growth of expenditure, it appears that the general rate of increase in all the Provinces has been 5·29 per cent. or 1·058 annually; the highest rate has been in Burma, the next in Bengal, and after them come Bombay, the Central Provinces, Madras, and Assam. The expenditure on ordinary Public Works has fallen off in Bengal and Burma, as was to be expected from the circumstances explained in paragraph 7, but has increased largely elsewhere: the greatest proportional increase has been in the Central Provinces, after which come Bombay and Madras, and then the North-Western Provinces, Assam, and the Punjab. The charges on account of interest have grown in every Province, except Bombay, where as yet no productive works (Railways or Canals) have been Provincialised. The growth has been largest in Bengal, where it is chiefly due to the expenditure on the Orissa Coast Canal and the Assam-Bihar Railway; interest has fallen most heavily on Burma, the revenue of which was small and retrogressive.

13. We proceed now to illustrate and expand these somewhat too condensed figures and remarks, by giving at rather greater length, the financial history of each Province during the five years of the Contract, and the proposals, which we have based on that history and on the present position of each, regarding the terms on which the Contracts for the next five years should be made.

Financial history and present position of Provinces.

PUNJAB.

14. The Provincial revenue of the Punjab has increased from Rs 1,44,98,300 in 1882-83, to Rs 1,59,43,000 (Budget Estimate) in 1886-87 or by 14½ lakhs: but about 3 lakhs of that increase is due to special grants made from the Imperial Treasury to meet expenditure imposed on the Province in connection with the reorganisation of the Judicial Service, the new establishment of Kanungos, the road from Murree towards Cashmere, and some other smaller items. It has been shown in the table in paragraph 10 that the total Provincial Revenue of the five years fell below the

Past revenue.

Summary of Provincial Contracts.

total assignment for those years by Rs1,20,000. The chief heads of increase and decrease are as follows :—

	Rs
Land Revenue, due to re-settlements made in the last two years	+2,65,000
Stamps	+45,000
Excise	+1,28,000
Provincial Rates	+58,000
License Tax	+82,000
Forests	+2,26,000
Law and Justice (i.e., Judicial fines and Jail receipts)	-9,51,000
Police	-45,000
Education (i.e., school fees)	+1,12,000
Scientific and Minor Departments (receipts from an experimental farm and from horse fairs)	+1,68,000
Interest on loans	-1,02,000
Stationery and Printing	-1,09,000
Contributions from Local Funds	-4,75,000
Public Works receipts (rents and ferries)	-97,000

Thus there was a loss on certain heads of $17\frac{3}{4}$ lakhs to be set against a gain on other heads of only 11 lakhs; the increased revenue from Railways and the larger receipts through the inter-provincial adjustments made up nearly $5\frac{1}{2}$ lakhs of the difference; and the Province was thus left somewhat worse off than had been anticipated when the assignment was made.

15. The entire expenditure of the five years exceeded the amount assumed in the Contract by Rs34,80,000 or thirty-five lakhs.

Past expenditure.

Of this excess, thirteen lakhs are due to the Amritsar-Pathankot Railway (six for construction and seven for interest on capital), which has been hitherto a losing concern and of which the Province is now to be relieved. Fifteen lakhs are due to Public Works, which the Local Government has carried on more liberally than in previous years: the average expenditure, which was $21\frac{1}{2}$ lakhs before 1882, was $27\frac{1}{2}$ lakhs during the period of the Contract. On the Revenue and Civil Heads,—that is, in the general work of the Administration,—there has been a much greater increase of expenditure than these figures show, mainly due to the reorganisation of the Commission, the improvement in the pay and position of Tahsildars and Munsifs, and the creation of new Kanungos to keep up the accuracy of the Revenue Record.

The figures for each head in which there has been any considerable increase or decrease are as follows :—

	Rs
Land Revenue	+2,26,000
General Administration	+1,17,000
Law and Justice	-2,42,000
Police	-1,95,000
Education	+4,45,000
Scientific and Minor Departments	+1,03,000
Superannuations	+2,77,000

The general result has been an increase under these heads of about six lakhs of rupees. On the whole the expenditure of 1886-87 stands in the Budget at Rs1,65,19,000, or ten lakhs above the figure of 1882-83, the first year of the Contract, and nearly six lakhs above the revenue of the current year.

16. We took the Budget of 1886-87 as the basis of our calculation, subject

Estimate of revenue for the future Contract.

to the Revised Estimate which will come in later: we added one lakh to the Provincial share of land revenue, on account of new Settlements now coming into force; we deducted nearly one lakh from Excise and half a lakh from Forests, where the revenue was probably over-estimated; half a lakh from Jail receipts, because of the increasing difficulty of employing the prisoners, now that the great works at the head of the Sirhind and Chenab Canals are closed; and half a lakh from Civil

Summary of Provincial Contracts.

Works, because of the approaching exhaustion of one source of revenue, the sale of "Nazul" or Government properties. The total result is to bring out an estimate of revenue less than the current year's Budget by nearly two lakhs.

17. We calculate the future expenditure at about $7\frac{1}{2}$ lakhs below the Budget of 1886-87; that estimate, however, was considerably in excess of the outlay of preceding years, having been pitched high in order to spend the balance in hand, and to make up for the enforced contraction of 1885-86. We reduced the allotment for Survey, Excise, Jails, and Miscellaneous by R1,96,000 on account of over-

	Rs.
Survey . . .	36,000
Excise . . .	40,000
Jails . . .	20,000
Jails (under Police) . . .	16,000
Miscellaneous . . .	84,000

estimating. We took off R19,000 on account of the abolition of the Military Secretary, consequent on the transfer of the Punjab Frontier Force to the Commander-in-Chief; R42,000 from Law and Justice, the provision having been made for temporary Judges and for an additional Judge who has not been sanctioned; R75,000 from Education on account of a building grant to the Punjab Chiefs' College which will not be a permanently recurring charge, and R11,000 from Vaccination, because of the transfer of supervision, to some extent, to Civil Surgeons. In this way we obtained a reduction of $3\frac{1}{2}$ lakhs. The remaining 4 lakhs, required to produce equilibrium, we retrenched from the Public Works Grant, bringing it down to $23\frac{1}{2}$ lakhs. This sum, after providing for the obligatory expenditure on Establishment and Repairs, leaves $5\frac{1}{2}$ lakhs for Original Works, and the total, though considerably less than the average expenditure of the last four years, is only slightly below the amount which, in making the last Contract, it was assumed that the Province could afford to spend; and 2 lakhs in excess of the average expenditure of the preceding Contract.

18. The reductions in expenditure summarised above are mostly due, as will have been seen, to correction of errors in the Budget, or to retrenchments already ordered or arranged for by the Local Government. Besides these, the following is a list of the reductions we have recommended, but which we have not taken into account in framing the Contract, as it has not yet been decided whether they are to be carried out or not:—

Further reductions recommended.

Provincial Rates.—Fees to Lumberdars and Patwaris for collecting to be reduced.

Excise.—Abolition of a Darogha on from R25 to 50 per mensem for each District.

Stamps and Registration, do not afford sufficient work for one Inspector General, and the office should be combined with some other one, such as the Inspector Generalship of Jails, or else the salary (R1,500) should be lowered to about R800.

Registration.—Allowance to Tahsildars, to be withdrawn in cases where they do no registration work.

General Administration.—The cost of the journey to and from Simla, and of residence there, to be decreased. This is treated in a separate note on "Hill Allowances," in Vol. II, Chapter XIII, Section E.

Pay of the office establishment of the Financial Commissioner and of Commissioners of Divisions to be reduced.

Law and Justice.—Cantonment Magistrates to be abolished in certain cantonments, and the judicial work to be done by the ordinary District Staff, an allowance for executive duties being given to a Military Officer.

Police.—One of the three Deputy Inspectors General to be dispensed with. The District Superintendent employed in the Inspector General's

Summary of Provincial Contracts.

Office to be replaced by a Head Clerk. Duties of the District Superintendent in charge of Special Police to be taken over by the Thuggee and Dacoity Department.

The number of Assistant Superintendents of Police to be reduced to what is necessary to supply vacancies among District Superintendents.

Medical.—The posts of Inspector General of Civil Hospitals and of Sanitary Commissioner, to be amalgamated.

The Assistant Civil Surgeon at Delhi to be dispensed with or to be paid for by the Civil Surgeon.

The total saving to be effected by these reductions is estimated at ₹1,88,000.

19. With regard to the future working of the Contract, we found that the Prospects of the Province under the new Contract. Settlement of a large number of districts has expired, and it is estimated that during the next five years the Land Revenue will be increased by $17\frac{1}{4}$ lakhs of rupees, the Provincial share of which will make the finances easier. The points, in which, financially considered, the Punjab Administration seemed to us open to criticism, were chiefly those which relate to the management of Settlement and Excise questions. The Province would have been more prosperous, if steps had been taken earlier to make ready for re-settlement, for we found that the Settlement of many districts had fallen in, in some cases several years ago, and it is estimated that 13 lakhs a year more would now be coming in as Land Revenue, had the new Settlements been ready to take effect as the old ones fell in. Moreover, if the Patwaris had been trained, so that their services could have been more fully utilised, it would not have been necessary to provide five lakhs of rupees a year for the payment of five Settlement Parties. We found also that the Excise Revenue in the Punjab has not advanced, as it has in all other Provinces in India, the principles on which the cultivation and sale of opium should be based are not fixed, and the improved methods applied in other Provinces to the management of the spirit licenses, and as to co-operation with the Native States scattered through British territory, have not been adopted.

NORTH-WESTERN PROVINCES.

20. It has already been shown (paragraph 10) that the revenue of the North-Western Provinces during the five years Past revenue. exceeded the assignment by ₹68,88,000, or about 69 lakhs of rupees. Of this increase 15 lakhs are due to the greater producing power of the Railways and Canals, $3\frac{1}{2}$ lakhs to receipts from Public Works (mostly the Roorkee Workshop), while the remainder is due to the different Civil Departments. The figures for the various heads under which any considerable increase or decrease took place, either on the receipt or expenditure side, are as follows:—

	Receipts. ₹	Expenditure. ₹
Land Revenue	+5,23,000	...
Stamps	+9,20,000	+72,000
Excise	+28,33,000	-1,21,000
Forests	+11,89,000	+1,56,000
General Administration . . . . .	...	+3,02,000
Law and Justice	-2,32,000	+2,99,000
Police . . . . .	...	+5,42,000
Education	-2,44,000	-22,13,000
Medical . . . . .	...	-9,00,000
Scientific and Minor Departments . . . . .	...	+2,28,000
Superannuations . . . . .	...	+10,00,000
Stationery and Printing	-2,11,000	+2,40,000
Miscellaneous	+4,58,000	...
Contributions to Local Funds . . . . .	...	+29,38,000
TOTAL CIVIL HEADS (including minor variations not specified)	+50,46,000	+23,63,000

Summary of Provincial Contracts.

The increase in the receipts under Land Revenue is due to the improvement in the Government estates in the Terai, under the Himalayas; the growth in Stamps and Excise is mainly attributable to the increasing wealth of the people, and that in Forests (on which an increased outlay of $1\frac{1}{2}$ lakhs took place) to better management and higher demand for timber. Fines and Jail receipts fell off here as elsewhere: in Education and Medical the decrease both in receipts and expenditure is due to transfer of these charges to Local Funds, and is balanced by larger charges under the heads of Police and Contributions. The gross estimated revenue of the current year stands higher by 17 lakhs than it did in 1881-82: of this 12 lakhs are due to the revenue-producing heads, and the rest to State Railways.

21. The expenditure of the five years exceeded five times the Contract estimate by Rs. 1,88,27,000. The greater part of the

Past Expenditure.

increase in the outlay was incurred on the construction of Railways (104 lakhs) and Canals (25 lakhs); interest charges increased by four lakhs, and Ordinary Public Works are answerable for about 31 lakhs of increase, besides the amounts contributed to, and spent by, Local Boards. The figures set out in the preceding paragraph show that there has been very little increase in the outlay on the great Administrative Departments. On the other hand, the apparent decrease, in two cases, only means that much of the expenditure on Schools and Dispensaries was transferred to Local Boards. In the last year of the Contract, the gross estimated expenditure stands 41 lakhs higher than in 1881-82; of this, 12 lakhs are Capital expenditure on Railways, 11 lakhs are contributions to Local Boards, 4 lakhs are due to Superannuation Pensions, and only 4 to the growth of Administrative Expenditure.

22. We made very little alteration in the Provincial estimate of revenue, which we place (subject to the revised figures) at Rs. 3,34,84,000. The estimate of Expenditure we reduced from Rs. 3,33,12,000 to Rs. 3,22,19,000, thus showing a surplus of Rs. 12,65,000, which is the measure of the gain to the Imperial Treasury by the revision of the Contract. The nature of the reductions, which we made, is as follows:—

Item.	Reduction.	Reasons.
	Rs.	
Refunds . . .	24,000	Past averages.
Village Officers . .	27,000	Ditto.
General Administration . .	5,000	Non-recurring expenditure on furniture.
	15,000	Reduction of expenses of journey to and residence at Naini Tal.
Jails	65,000	Over-estimate, as compared with average of past years.
Education	46,000	Over-estimate.
Miscellaneous . . .	14,000	Average of past years.
Contributions to Local . .	5,54,000	Practically a reduction in Public Works.
Minor Irrigation . . .	50,000	Non-recurring expenditure on the Rohilkhand Canals.
Civil Works	1,13,000	Expenditure reduced nearly to that of 1881-82, before the Contract.
TOTAL	9,13,000	

These reductions, it will be seen, consist chiefly of a contraction of the expenditure on Public Works.

There is also a special condition in the Contract, that the Province should receive from Imperial a grant of 12 lakhs in the first three years, to meet the expenditure on restoring the Nadrai aqueduct, which carries the Lower Ganges

Summary of Provincial Contracts.

Canal over the valley of the Kālinadi. By the third year it is expected that this work will be complete, and the canal will begin to bring in the full revenue which it is capable of producing.

23. The following are the reductions which we have recommended but Recommendations as to further reductions, which we have not taken into account in framing the Contract, as we are not yet aware whether they will be carried into effect:—

Stamps.—Reduction of a second Moharrir in 20 districts.

Excise.—Opium sold to the Treasurer, for retail vend, to be paid for at a higher rate than when sold to licensed vendors who pay large sums for the right to retail.

Still-head duty, which is only R1 per gallon, of whatever strength, to be increased.

Board of Revenue.—Reproduction of village and other maps to be transferred to the Survey Department.

Small Cause Court Judgeships, to be filled by the Subordinate Judicial Service, and the special salaries of R1,000 and R1,200, which were fixed with the intention of appointing Covenanted Civilians to the posts, to be reduced.

Cantonment Magistrates, to be replaced by the ordinary Judicial staff where possible.

Jails.—Commission of Jailors to be calculated on actual cash transactions, not on estimated value of goods unsold.

Police.—Separate Police hospitals to be abandoned, and wards to be set apart for the Police in the ordinary dispensaries.

Transfer to Municipalities of charges equal to the relief given by taking over their Police, or R2,07,000. (At present charges amounting to R1,30,000 only have been made over to them.)

Education.—The Benares College to be turned into an Aided Institution. Native Inspectors of Schools to be substituted for the present expensive European staff of officers.

Medical.—Assistants to Civil Surgeons at four places to be abolished or to be paid for by the Civil Surgeons themselves.

Allowances to Civil Surgeons for medical attendance on Colleges to be withdrawn.

Sanitary Commissioner and Inspector General of Civil Hospitals to be amalgamated.

Agricultural Department.—A cheaper Assistant to be provided for the Director of Agriculture, instead of a senior officer in the Oudh Commission as at present.

Stationery and Printing.—The present Superintendent of the Government Press to be replaced by a cheaper man, who should also be a technical expert.

The savings to be effected by these reductions are estimated at R1,73,000.

24. The Settlements of several districts are beginning to fall in, and the Prospects under the new Contract, revision of assessment is expected to produce about 20 lakhs of rupees, of which however only a small part will accrue within the term of the present Contract. In two districts

Summary of Provincial Contracts.

Settlement is now going on on the old expensive fashion at a cost of about R340 per square mile, but in the districts, which will fall in subsequently, it is believed that the Patwaris are sufficiently instructed and the village papers good enough for the Settlement to be made by their means. Thus the Province will gain considerably both in increased revenue and in lessened expenditure.

25. Our review of the finances of the North-Western Provinces left on us the impression that in no part of India had economy been more carefully studied, or efficiency of administration brought to a higher pitch. The whole resources of the Province have been devoted to carrying out a great system of railways, which have, we believe, made the country almost safe from famine in its worst aspects; and though there has been a stricter determination than elsewhere not to allow money to be spent on increase of establishments, we did not detect that any injurious effect had arisen from this economy. The only deficiency we noticed was that the scheme for carrying out the re-settlement of the Province on the cheaper and reformed system, now made possible through the improvement in the Patwari agency, had not been completely drawn up, but this omission will, we believe, soon be remedied; and the result will be that the Government of India will not find it necessary to provide the full sum which we have entered against the head of Survey and Settlement.

CENTRAL PROVINCES.

26. The revenue of the Province during the five years of the current Contract has exceeded the assignment by R34,49,000, or 34½ lakhs: of this, 22½ lakhs are due to the net income of the Nagpore-Chattisgarh Railway (against which, however, on the other side, an increase of 5½ lakhs for interest charges must be set, leaving the Province actually the better by 17½ lakhs of rupees), and 12½ lakhs fall under the revenue-producing heads, and Civil Departments; while there has been a decrease of $\frac{3}{4}$ of a lakh under Ordinary Public Works. The chief items of increase or decrease, in the Civil heads, whether on the revenue or expenditure side, are as follows:—

	Receipts. R	Expenditure. R
Land Revenue	+1,12,000	+5,76,000
Stamps	+4,10,000	...
Excise	+10,16,000	...
Provincial Rates	—3,02,000	...
Forests	+98,000	—3,00,000
Law and Justice	—2,58,000	+70,000
Police . . . . .	...	+8,89,000
Education	+1,83,000	—63,000
Medical . . . . .	...	—96,000
Scientific and Minor Departments . . . . .	...	+1,58,000
TOTAL CIVIL HEADS (including minor variations not specified)	+12,87,000	+14,77,000

In Land Revenue there is hardly any increase, as no Settlement has fallen in during the period; but large preparations have been made for those about to fall in, and the survey and re-settlement work accounts for most of the increased expenditure under this head. There has also been an increase of cost in

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several branches of the Revenue Establishments, notably in the number and pay of the Tahsildars. Stamps and Exeise show a steady growth, which is attributable to prosperity and good seasons; the falling off in Provincial rates is owing to a transfer to Local Funds, and the decrease in Law and Justice is explained, as elsewhere, by fewer fines and lessened profits from jail manufactures. The gross Revenue of the last year of the Contract rose to $80\frac{1}{2}$ lakhs, against $66\frac{1}{2}$ in 1881-82, but of this increase 11 lakhs are due to the gross receipts from the Railway.

27. The expenditure of the Province has been kept below the income during every year except the last, and on the total expenditure of the five years a surplus of nearly 9 lakhs has accrued. As compared with the assignment the expenditure has increased by $38\frac{1}{2}$ lakhs: of these 5 lakhs are the interest charges already referred to, and $18\frac{1}{2}$ lakhs are on account of ordinary Public Works, the average expenditure on which has been $12\frac{3}{4}$ lakhs a year, against 9 lakhs in 1881-82. The rest of the increase, 15 lakhs, has accrued under the different Civil Departments, of which a detailed list has already been given with explanations in certain cases. The cost of the Police exceeded the assumed figure by 9 lakhs, mostly on account of the transfer of charges previously borne by Municipalities. The creation of an Agricultural Department accounts for 1 lakh of rupees. Altogether, at the end of the five years, the Administrative Heads have grown by 6 lakhs a year and Public Works expenditure by the same amount. In the Budget of 1886-87 Expenditure exceeds Revenue by $5\frac{1}{4}$ lakhs.

28. In framing the Contract, we made no alteration whatever in the estimate of receipts, except as regards the item of inter-provincial transfers: the Provincial Revenue stands at Rs80,66,000. On the expenditure side, we lowered the total from Rs5,66,000 to Rs78,81,000, or by Rs6,85,000 altogether. The details are contained in the following list:—

		R		
Deputy Commissioners' Establishments		44,000	On account of over-estimate.	
Jails	.	27,000	Ditto	ditto.
Police	.	15,000	Ditto	ditto.
Education	.	30,000	Ditto	ditto.
Medical	.	7,000	Ditto	ditto.
Scientific and Minor Departments		18,000	Amalgamation of Director of Agriculture with Settlement Commissioner.	
Public Works	.	4,95,000	Chiefly under original works for which only two lakhs are provided by us.	
Contributions	.	47,000	Principally intended to assist Local Boards in carrying out minor works.	

It will be seen that the only real reduction consists in the amalgamation of the Director of Agriculture with the Settlement Commissioner and in the contraction of expenditure on Public Works. With regard to the latter, it must be explained that the amount provided, 10 lakhs, is a lakh in excess of the expenditure assumed in the Contract of 1882, and the effect is to put the Province back to nearly where it stood when the Contract began, and to leave it to rely on its future growth of revenue to enable it to expand its outlay on Public Works. The result is that the Province surrenders Rs1,85,000 to the Imperial Treasury.

Summary of Provincial Contracts.

29. We had not many proposals for reduction to make besides those taken account of in the Contract and summarised above. Further reductions recommended. We proposed the abolition of the Cantonment Magistrates of Saugor and Kamptee, the judicial work being done by the general staff of the Province, and we recommended some reduction in the pay of one of the Small Cause Court Judges and in the establishment of another. Some small economy will be produced by a revision of the Travelling Allowance Rules as applied to the journey of the Local Administration to Pachmarhi, and some increase of revenue may be looked for by establishing an Excise control over the export of ganja to the North-Western Provinces and to Bombay. Something, too, may be recovered from the Municipalities who were relieved of Police expenditure amounting to ₹1,11,000, but took over in exchange charges amounting only to ₹23,000. We estimate the total savings from all these reductions, if carried out, at ₹24,600.

30. The future prospects of the Province are on the whole better than they were in 1882, because though we have been instructed to take the Nagpore-Chattisgarh Railway out of the Provincial Contract, and therefore this great source of profit, which netted 17 lakhs to the Province in the last five years, is now lost to it, on the other hand, the Settlements of many districts are now falling in, and the re-assessments are expected to raise the Land Revenue by about 3½ lakhs a year by the end of the next five years, and to bring in altogether an increase of 11 lakhs during the term of the Contract. The re-settlement is being carried out on the most approved principles, the Patwaris having been taught to survey, and the village Records being accurately compiled; and it is estimated that the whole work will be done, survey and assessment included, at the rate of ₹100 per square mile or less. The arrangements made are such that in most districts the new assessment will take effect as soon as the Settlement expires, and, where this is not done, a temporary Settlement is made, so that Government may not lose the share in the increase from the land to which it is entitled.

31. The general impression left upon us was that the Central Provinces are carefully and economically administered. In respect of the introduction of a cheap and efficient method of effecting Survey and Settlement through the improved agency of Patwaris, and of making preparations for this work in time so that no Revenue may be lost by delay in re-settlement, they stand ahead of any Province in India.

BOMBAY.

32. The Bombay figures are usually obscured by the inclusion of a large paper receipt and expenditure of about 73 lakhs on account of "Assigned Revenue,"—that is, the grant of land wholly or partly free of land revenue. We exclude these for the sake of clearness in the following remarks. The actual revenue collected in the five years exceeded the assumed amount by ₹1,12,72,000 or nearly 113 lakhs; and the actual expenditure exceeded the assumed amount by ₹1,26,81,000 or nearly 127 lakhs, but fell short of the actual revenue by 20 lakhs. This sum was, however, contributed to the Imperial Treasury during the current year, and the Province ends the period with its balance at the same figure as at the beginning, or 32 lakhs. Of the increased Revenue, 6 lakhs are due to Public Works receipts, mainly from tolls on the roads. The rest of the increase has accrued

Summary of Provincial Contracts.

under the different Civil heads, and the principal details, both as to receipts and expenditure, are shown below :—

	Receipts. R	Expenditure. R
Refunds . . . . .	...	+ 3,47,000
Land Revenue	+ 88,14,000	+ 9,20,000
Salt . . . . .	...	+ 5,57,000
Stamps	+ 7,09,000	...
Excise	+ 41,96,000	+ 1,31,000
Customs	— 1,53,000	— 2,06,000
Assessed Taxes	— 1,62,000	...
Forests	+ 25,63,000	+ 11,97,000
Registration	+ 2,07,000	+ 1,15,000
Law and Justice	— 8,69,000	— 3,34,000
Police	— 66,000	+ 18,25,000
Education	+ 1,97,000	+ 12,71,000
Medical	+ 63,000	+ 5,51,000
Scientific and Minor Departments . . . . .	...	+ 3,07,000
Superannuation	— 50,000	+ 5,69,000
Stationery and Printing	+ 92,000	+ 2,37,000
Miscellaneous	— 55,000	...
Contributions to Local . . . . .	...	+ 2,97,000
TOTAL CIVIL HEADS (including minor variations not specified).	+ 1,06,32,000	+ 77,66,000

The increase in the Land Revenue was partly due to good seasons, and partly to the re-settlements which have been in progress throughout the period. The increase in Excise is due to excellent administration under which many important reforms have been carried out, and that in Forests to great strictness in asserting the rights of Government over the Forests. The revenue stands higher in the current year than it did five years ago by 32 lakhs.

33. Turning to expenditure, the largest part of the increase of R1,26,81,000, or 127 lakhs above the assignment, has been incurred under Public Works, on which 48½ lakhs more than the assumed figure were spent. There has, however, been an increase, and in some cases a considerable one, in the expenditure of almost all the Administrative Departments; the main items of which have been entered above. In the case of Forests, Excise, and Registration, the outlay has been specially undertaken in order to promote the growth of revenue, and the net receipts have increased; in other cases the increase is due generally to the demands of improved administration, or to larger grants to Municipal and Local Funds. The main growth is under Police and Education, and is chiefly due to a more liberal treatment of Local Boards and Municipalities. The decrease shown under Law and Justice is really due to Jails, the number of prisoners having much decreased. There has been an increase of cost on account of Law Courts. The expenditure of the last year of the Contract exceeds the assignment by 48 lakhs, but it was specially swelled by the desire of working off the accumulated balances.

34. In framing the figures for the future Contract, we estimated the Provincial revenue (subject to correction on receipt of the Revised Estimate) higher by nearly 3½ lakhs than the Budget for the current year, mainly on the ground that the Budget figures for Excise and Forests are too low, and will probably be exceeded. The Stamps estimate, on the other hand, we decreased, as the current year's Estimate is swelled by a non-recurring item; and we made some small changes in other Departments for similar reasons. On the expenditure side, we have calculated that a

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retrenchment of nearly 33 lakhs can be effected. The following list contains all but the smallest items of reduction :—

Items.	Amount. R	Reasons for reduction.
Collectors and Establishments.	54,000	Partly over-estimate, partly the amalgamation of the two posts of Collector of Bombay and Collector of Customs.
Salt . . .	74,000	Over-estimate.
Customs . . .	15,000	Amalgamation of the two Collectors as above.
Stamps and Registration.	29,000	Abolition of the Inspector General of Registration (whose post is to be amalgamated with that of the Inspector General of Jails) and reduction of the establishment of the Bombay Registrar.
General Administration.	25,000	Reduction of Hill Allowances and abolition of the second Assistant to each of the three Commissioners.
Law and Justice	57,000	Partly over-estimate, partly reduction in Cantonment Magistrates and Small Cause Courts.
Jails . . .	41,000	Over-estimate, and reduction of five small Jails.
Police . . .	2,04,000	The whole is due to over-estimating.
Marine . . .	47,000	Abolition of the steamer <i>Jhelum</i> and its flat, on the Indus, accounts for about half: the rest is a transfer (with which go corresponding receipts) of a tug and some pilot brigs at Karachi to the Port Trust.
Education . . .	2,07,000	This is made up of a large number of items, chiefly grants-in-aid, building grants, and recently increased expenditure on technical instruction, the reduction of which we suggested; also the abolition of some Vernacular Translators.
Medical . . .	83,000	R16,000 due to cost of diet in lunatic asylums, which has grown unnecessarily: the rest to over-estimates and non-recurring items.
Stationery and Printing.	28,000	Rent of Press, for which a new building is being constructed.
Miscellaneous . . .	77,000	R46,000 are reduced, being provided this year for a special Forest Commission which is nearly ended, and R20,000 are transferred to Imperial on account of water supplied to the Troop-ships and Transports.
Railway Survey	36,000	The work having come to an end.
Public Works	19,99,000	Our calculation allows a sum equal to the average amount spent in the Contract of 1877—82, but necessitates a great reduction in original works.
Contributions . . .	1,39,000	This reduction mainly affects the grant to Local Primary Schools.

35. The general effect of these proposals is, that the Province should contribute R27,06,000 to the Imperial Treasury. The Results of reductions and prospects of future Contract reduction is largest in the Departments of Public Works and of Education, in which the recent increase has been greatest; but as the Province has 12 lakhs in hand to spend without bringing its balance below the minimum, and as the revision of Land Revenue is expected to bring in an average annual increase of about 8 lakhs during the next five years, rising to 12 lakhs in the last year, we calculate that it will not be long before the Province is again in affluent circumstances. Stamps, Excise, and Forests will also probably be heads, under which the revenue will continue to increase, though not perhaps so rapidly as in previous years, and the increase in expenditure has been so large of late years that there will be the less need to allow for any further growth of outlay on administrative wants.

36. We have made a further proposal for Provincialising the Sind Canals and the Deccan Tanks and Canals, which have hitherto been an Imperial charge, classed under Minor Irrigation Works. The return from the Deccan Irrigation is only R1,39,000: that produced by the Sind Canals is inextricably mixed up with the Land Revenue. The expenditure on both amounts to over 15 lakhs. We would Provincialise these figures, leaving the Province to manage the works, keeping to itself all gain

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or loss by the transaction ; if self-interest acts, as it usually does, the result ought to be gain.

37. We made some other recommendations for retrenchments, which, as they have not yet been accepted, we did not include in the Contract figures. The principal of these are as follows :—

Further reductions suggested.

Reduction in the number of stamp clerks, where there are more than one to each district.

Reduction of income-tax establishment in Bombay City.

Registration establishment in Sind to be reduced.

Pay of Oriental Translator to be reduced.

Commissioner in Sind to be reduced to the level and salary of an ordinary Commissioner, and his establishment also to be reduced.

Reduction in the pay of two Presidency Magistrates and of their Chief Clerk.

Reduction of the salary of Small Cause Court Judges.

Replacement of four Cantonment Magistrates by officers drawing a small staff allowance for executive work.

Re-grading of District and Assistant Superintendents of Police, and reduction of the number of Probationers to six.

Transfer of excess charges of Presidency Police to the Bombay Municipality.

Alteration in the status and salary of the Inspector General of Police.

The saving to be produced by these measures is estimated at Rs3,80,000 approximately, much of which, however, can only come into effect very gradually and after lapse of time.

The reductions proposed in the cost of the High Court amount to about Rs58,000 immediately, and Rs1,13,000 eventually, when the present incumbents vacate certain posts.

38. We had not the advantage of discussing our proposals with the Local Government, as that Government preferred to have them in writing before expressing their opinion upon them : but we had the assistance of two Local Members in our enquiries and discussions. One of these Local Members has dissented from some of our figures and recommendations, chiefly those relating to the reductions in Education and Public Works : and one of the general Members of the Committee, the Hon'ble M. G. Ranade, has also recorded a dissent from some of the suggestions about Education

Discussions and Dissents.

39. The position of Bombay is peculiar in this respect, that the Local Cess is lighter than in any other part of India, and hence the Local Boards have but a small income, and look to Government for more assistance to their local roads, buildings, and schools than is usually given. The Provincial Government on the other hand, having a superabundance of money, made them very liberal grants, and even towards the close of the Contract and after the Finance Committee had been appointed, pledged itself to new expenditure of this kind. Some embarrassment must necessarily result from such a course, when a new Contract on a more restricted basis of funds is made, but one remedy, that may be suggested, is to increase the incidence of the Local Cess.

Lightness of Local Cess

40. Speaking generally, we received the impression that there is not in Bombay the same rigorous tendency to restrict expenditure and to keep a watchful control over useful but costly improvements in administration, which the possession of less abundant resources has produced elsewhere ; and

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retrenchment of nearly 33 lakhs can be effected. The following list contains all but the smallest items of reduction:—

Items.	Amount. R	Reasons for reduction.
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37. We made some other recommendations for retrenchments, which, as they have not yet been accepted, we did not include in the Contract figures. The principal of these are as follows:—

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Discussions and Dissents.

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Lightness of Local Cess.

40. Speaking generally, we received the impression that there is not in Bombay the same rigorous tendency to restrict expenditure and to keep a watchful control over useful but costly improvements in administration, which the possession of less abundant resources has produced elsewhere; and

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we think that this is especially manifested in the strength of the Judicial Staff, and the disproportionate costliness of the Police, as well as in the Survey and Settlement Department, and in the details of the new scheme for keeping up the village records and obviating the necessity of any re-survey in future.

MADRAS.

41. The Contract was considerably modified during the course of the five years. As originally framed, it left the Province with a surplus of $2\frac{1}{4}$ lakhs, but the subsequent grants virtually raised this to $7\frac{1}{4}$ lakhs. The actual revenue of the period exceeded the assignment by R91,22,000, or $91\frac{1}{4}$ lakhs: diminished receipts from and increased expenditure on irrigation works lost eight lakhs to the Provincial Treasury, and there was a decrease of three lakhs from ordinary Public Works Receipts; on the other hand special grants amounting to 24 lakhs were made from the Imperial Treasury, and the growth of revenue under the Civil Heads came up to $78\frac{1}{2}$ lakhs. The following list shows the chief items of increase or decrease under each of these heads whether on the side of receipts or of expenditure:—

	Receipts. R	Expenditure. R
Land Revenue	+11,06,000	+14,47,000
Salt	+2,87,000	...
Stamps	+2,19,000	...
Excise	+35,61,000	+94,000
Forests	+31,54,000	+22,89,000
Registration	+3,91,000	+2,73,000
General Administration . . . . .	...	+4,79,000
Law and Justice	—5,76,000	—10,50,000
Police	—5,68,000	—3,03,000
Education	+1,30,000	+7,03,000
Medical	+1,82,000	+7,56,000
Scientific and Minor Departments	+3,94,000	+2,79,000
Stationery and Printing . . . . .	...	+3,01,000
Superannuation . . . . .	...	+2,01,000
Miscellaneous	—1,21,000	—7,90,000
Contributions from Local . . . . .	...	+4,02,000
TOTAL CIVIL HEADS (including minor variations not specified)	+78,53,000	+52,33,000

The Land Revenue has fluctuated considerably through seasonal changes, but large arrears have been collected which were due from the famine period, and the current year's collections have been got in more punctually; hence there has been a profit of 11 lakhs: the annual demand of the Land Revenue has, however, scarcely risen. The great increases have been under Excise 35 lakhs, and Forests 31 lakhs; Salt, Stamps, Registration, and the Cinchona Plantations have also contributed towards the general improvement. Under Magisterial Fines and Jail Manufactures there has been a decrease of 6 lakhs, and under Police a decrease of $5\frac{1}{2}$ lakhs, due to the diminished payments of Municipalities towards the cost of their Police.

42. The increase of expenditure over the assignment was R90,44,000; or $90\frac{1}{2}$ lakhs. Of this, 7 lakhs were capital outlay, 6 lakhs being for the Madras Water Works and one lakh for Railway Construction; and on ordinary Public Works the expenditure stood 31 lakhs above the figure of the assignment; the average yearly outlay rose from R18,93,000 in 1881-82 to R25,06,000 throughout the five years period. The increase under Civil heads was, as shown above, $52\frac{1}{4}$ lakhs. In

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the case of Forests, Excise, and Registration, the expenditure has been increased in the distinct view of producing larger receipts. Survey and Settlement have been largely developed, and 12 lakhs of the 14½ lakhs shown against Land Revenue are due to them. Education, Medical Services, General Administration, Agricultural Schools, and Printing are answerable for a growth of 25 lakhs in the outlay. The only important Department in which there has been a decrease is Jails, and this is due to a diminished number of prisoners and cheaper food. The Budget of the current year shows an expenditure exceeding by 31 lakhs that on which the Contract was based in 1882, and this figure, 31 lakhs, also represents the growth of the revenue during the same period.

43. In making our calculations of the revenue of the Province, we altered the Budget of the current year very slightly; but on the whole we slightly reduced the Estimates. We took the Basis of future Contract. Land Revenue at a rate somewhat lower than the Budget, basing our calculations on the averages of the last eight years, and allowing for the famine arrears which have swelled the totals. We raised the Registration estimate slightly, but took a slightly lower figure for Forests, Police, and Education receipts. On the expenditure side we reduced the Estimate by R13,20,000. Of this reduction one and a quarter of a lakh was obtained by transfer of expenditure to the Madras Municipality and by diminishing the contributions to Local Funds, two lakhs by the cessation of certain Minor Irrigation Works and Railway Surveys, which are now nearly completed, and nearly one and a half lakhs by retrenching figures which seem to us to be over-estimates, and which will, therefore, be corrected when the Revised Estimates of the year come in. This leaves about eight and a half lakhs of reduction, the chief items of which we proceed to state:—

Items.	Amount.	Reasons for reduction.
R		
Collectors' Establishments.	25,000	On account of Hospital Assistants attached to each officer.
Stamps . . .	12,000	Amalgamation of Superintendent of Stamps with Collector of Customs.
Military Secretariat . .	6,000	Reduction of pay of clerks.
Translatorships . . .	8,000	The work to be given to natives at lower pay.
Sheriff's emoluments . .	11,000	The post to be an honorary one.
Presidency Magistrates	24,000	Pay of all except the First Presidency Magistrate to be reduced.
Police . . .	89,000	Decrease, on account of the substitution of warders for policemen at jails.
	17,000	Reduction of one Deputy Inspector General.
	5,000	Abolition of the Assistant Commissioner in the Presidency Police.
Education . . .	70,000	Transfer to Local Boards of half the cost of Deputy Inspectors.
	10,000	Abolition of Cuddalore and Calicut Colleges which are to be reduced to the status of High Schools.
Medical . . .	27,000	Closing of the Auxiliary Medical School.
Destruction of wild animals.	40,000	Reduction of the rate at which rewards are given.
Public Works . . .	4,55,000	The total grant is reduced to 20 lakhs, which allows for an expenditure of R7,77,000 on New Works, and is lakh above the figure assumed in the Contract of 1882.

Summary of Provincial Contracts.

The outcome of these proposals is a gain to the Government of India of 14 lakhs, but there is only an actual reduction of expenditure of about 1½ lakhs (besides the 4½ lakhs of Public Works), and a transfer from Provincial to Local and Municipal Funds of 1½ lakhs.

44. We have also framed a proposal for Provincialising the minor irrigation and agricultural works, which abound in the Madras Presidency, and which have hitherto been Imperial. Under this scheme the Province is to take over the entire charge of these works for a grant of 20 lakhs, as well a further sum of seven or eight lakhs a year for tank restoration, in respect of which it will be charged with interest and will recoup itself by the increased Land Revenue which will come in.

45. Of the further recommendations we have made for reductions, which have not yet been decided on, and which have therefore not been taken into account in framing the terms of the Provincial Contract, the following are the principal :—

Abolition of the "seasonal remissions" in districts, which have come under Settlement recently, and in which the assessment rates include an allowance for bad seasons.

Employment of Natives at two-thirds rates as Assistant Superintendents in the Survey Department.

Abolition of the post of Superintendent of Survey, and placing the whole work under the Director of Settlements.

Reduction of the establishment of the Central Office of the Director of Settlements.

Reduction in the pay of the Inspector General of Registration from Rs. 15,000 to Rs. 10,000.

Reduction of commission in those Registration offices which do not produce a profit.

Abolition of the Cantonment Magistrate, Cannanore.

Reduction in the staff and cost of the Law Officers of Government.

Abolition of the appointment of Coroner.

Abolition of the post of Personal Assistant to the Inspector General of Police.

Re-grading of district and Assistant Superintendents of Police.

Contribution to be levied from Police towards the cost of their clothing, as in other Provinces.

Reduction in the number of Police hospitals, and the cost of medical care of the Police.

Reduction in the number of Inspectors of Education from eight to five, and substitution of Native for European officers.

Amalgamation of the office of Sanitary Commissioner with that of Surgeon General.

Reduction in the number of Civil Surgeons, and more general substitution of Uncovenanted for Commissioned officers in those posts.

Transfer to Local Funds of a portion of the expenditure on the Cattle-diseases Department.

Abolition of the rates levied by the Madras Municipality on Government buildings.

Summary of Provincial Contracts.

These reductions, if accepted, would ultimately produce a saving of about 4 lakhs of rupees.

46. In discussing these questions we had the assistance of two Local Members who agreed in all the proposals we made affecting the Contract, and though they did not assent to all the recommendations summarised in para. 45, did not record a dissent. We also had a conference with His Excellency the Governor and his Council, at which the chief items in our suggestions were discussed, and the Government stated whether they could or could not agree with them. The nature of their views is mentioned in Chapter VII of this Volume in connection with each of those items.

47. We formed a high opinion of the care and accuracy with which the finances of the Province are controlled, and of the generally economical tone of the Administration; and we considered the manner in which the Excise and Registration Departments are administered, and the principles which govern the allotment of Provincial Funds to Education, to be specially worthy of imitation. The matter, to which we principally ventured to take exception, was what we could not but consider the slow, and expensive manner in which Survey and Settlement work is progressing, and we made recommendations for pushing it on more vigorously and economically, and imitating, in some respects, the improved procedure adopted in Northern India. It is estimated that on the present scale of progress the Land Revenue will have increased by 4 lakhs a year, through revision of Settlement, by the end of the next five years; but if the Settlement work were carried on more rapidly, or if, failing this, a summary Settlement were made for a short intervening period, as has been done in the Central Provinces, we apprehend that the increase would very greatly exceed this estimate. If, moreover, the Survey and Settlement could be brought down to anything approaching the cost per square mile in the Central Provinces, or even to the higher rate of expenditure in the North-Western Provinces, a considerable economy would be effected.

BENGAL.

48. We have already explained how the Bengal Government was started at the last Contract with a deficit of 57 lakhs, on the assumption that its Public Works expenditure, which had greatly increased through the expenditure of large balances chiefly as capital outlay, could be greatly decreased; and an addition of 28½ lakhs was made to its balance to facilitate this gradual reduction. The income was assumed to be 357 lakhs, but the actual receipts have exceeded five times the assignment by Rs 98,08,000 or 98 lakhs. Of the excess, 15¾ lakhs are due to the growing productiveness of Railways and Canals, and 7¼ lakhs are receipts from Ordinary Public Works. The balance or 75 lakhs is mainly attributable to the growth of the great revenue-producing heads. The following list shows the principal figures of increase and decrease on both sides of the account:—

	Receipts.	Expenditure.
	Rs	Rs
Land Revenue	+17,61,000	+7,36,000
Salt	—1,70,000	...
Stamps	+24,81,000	+79,000

Summary of Provincial Contracts.

	Receipts. R	Expenditure. R
Excise	+ 3,71,000	+ 1,10,000
Provincial Rates	+ 12,66,000	...
License Tax	- 3,58,000	...
Customs	- 96,000	+ 1,02,000
Forests	+ 55,000	...
Registration	+ 4,15,000	+ 1,11,000
General Administration . . . . .	...	+ 3,56,000
Law and Justice	- 4,51,000	+ 23,02,000
Police	+ 5,39,000	+ 24,51,000
Marine . . . . .	...	- 7,15,000
Education . . . . .	...	+ 28,39,000
Medical . . . . .	...	- 2,73,000
Scientific and Minor Departments	- 5,68,000	+ 2,00,000
Interest on Loans	+ 2,28,000	...
Superannuation . . . . .	...	+ 11,16,000
Stationery and Printing . . . . .	...	+ 1,02,000
Miscellaneous	+ 17,32,000	+ 1,95,000
Contribution to Local . . . . .	...	+ 1,70,000
TOTAL CIVIL HEADS (including minor variations not specified)	+ 75,06,000	+ 1,00,07,000

The Land Revenue has improved by 7 lakhs in the whole period, and the Provincial share of the profits from Government estates by 10 lakhs. Stamps have brought into the Province an increase of 25 lakhs, chiefly by growth of litigation; Provincial rates 13 lakhs, chiefly by improved methods of collection; Registration and Excise 4 lakhs each. The latter head had grown very rapidly under the preceding Contract, but its progress has been checked on grounds of public morality, and the expenditure on it has increased. Pounds, which are shown under Police and Unclaimed Deposits under Miscellaneous, have brought in an increase of about 18 lakhs to the Provincial Treasury; and there has been a slight decrease under Judicial Fines and under Cinchona, which latter appears under the head of Scientific and Minor Departments. The Revenue of the current year exceeds that of 1881-82 by 25½ lakhs of rupees.

49. The total expenditure of the five years exceeded five times the reduced assignment by R1,57,40,000, and the actual income by R59,32,000. Sixty-two lakhs were devoted to Capital expenditure on Railway and Canal Construction, and thirty lakhs were swallowed up by the growth of interest charges. The expenditure on Roads and Buildings, which had risen to 68 lakhs in 1881-82, was brought down as low as 28 lakhs during the two years 1884-85 and 1885-86, and the average outlay on this head during the five years was 41 lakhs, the total being less by 35 lakhs than the assignment (even when reduced, as explained in paragraph 10, to produce equilibrium). The growth of expenditure on the Civil Administration, the details of which are shown above, was 100 lakhs of rupees. The increased revenue from Government Estates, Excise, Stamps, and Registration was produced by incurring an increased outlay of about 10 lakhs, which, however, leaves a very handsome profit. On General Administration the expenditure has grown by three and a half lakhs, chiefly for increase to the Secretariats. Under Law and Justice the Courts have cost 17 lakhs more than the Contract figure, the number and pay of Subordinate Judges and Munsifs having largely increased; and the dearness of food in Jails has entailed an additional cost of 6 lakhs. Police charges increased by 25 lakhs, chiefly due to the transfer of the charge for Municipal Police, while only one-third of this amount was taken back by the Municipalities

Summary of Provincial Contracts.

under other heads. Education has grown by 28½ lakhs, two-thirds of which are due to Grants-in-aid, and the rest to Government Colleges and to the appointment of more Inspectors. Superannuations have entailed an increased charge of 11 lakhs. On Railways and Canals, 62 lakhs have been laid out. The expenditure of the current year is 31 lakhs below that of 1881-82, or 26 lakhs above the figure to which it was assumed that expenditure could be reduced, and Rs65,000 above the income of the current year.

50. On the Receipt side we calculate that the Provincial receipts will exceed by about 2 lakhs the Budget of the current year. We reckon the ordinary Land Revenue lower by 2 lakhs than the Budget figure, which is swelled by the collection of arrears, and we add a lakh for probable improvement in Excise. Jail receipts were under-estimated by more than a lakh, and Railways by about 3 lakhs. In other respects we have made little or no change, and the Revised Estimates will be taken as superseding the Budget figures when they come in. On the expenditure side our reductions come altogether to 10 lakhs. Only a small portion of this is due to the correction of over-estimates. The principal items of our reductions are set out in the following list:—

Items.	Amount. Rs	Reasons for reduction.
Survey and Settlement.	78,000	By a mistake the cost of the Mozufferpore Survey was estimated for twice over. Though this Survey is to be stopped, we have assumed that a Survey party will be employed on the Government estates which require re-settlement.
Government Estates.	67,000	Over-estimate.
Salt . . .	8,000	Reductions in Orissa, due to the transfer of this Department to Madras.
Stamps . . .	9,000	Amalgamation of the offices of Collector of Customs and of Superintendent of Stamps.
Registration . .	7,000	Reduction of the salaries of Inspector-General and two Inspectors, savings in the office of the Calcutta Registrar, and travelling allowance.
General Administration.	17,000	Reduction of tour expenses for the journey to Darjeeling and residence there.
	9,000	Abolition of Assistant Secretary, Legislative Department.
	5,000	Reduction in number and pay of Translators.
Law and Justice	4,000	Abolition of Junior Government Pleader.
	4,000	Reduction in pay of Coroner's Surgeon.
	6,000	Reduction in pay of Second Presidency Magistrate.
	12,000	Reduction in pay of the junior Judges of the Calcutta Small Cause Court, and in the cost of the establishment.
Jails . . .	1,13,000	Over-estimated expenditure on Jail Manufactures and closing of certain small Jails.
Police . . .	8,000	Abolition of Personal Assistant to Inspector General.
	24,000	Abolition of temporary Salt Police in Orissa.
Marine . . .	8,000	Reduction in pay of Port Officer and establishment.
	2,000	Retrenchment of allowance of Rs200 per mensem to Chief Presidency Magistrate for holding Marine Court.
	7,000	Grants to Ports of Balasore and Chittagong to be defrayed by Port Funds.
Education . . .	66,000	Reduction in the superior graded service from 41 to 21 officers, and of 21 posts in the subordinate graded service.
	7,000	Reduction in grants to Collegiate and High Schools.
	59,000	Decrease of Building grants.
	14,000	Minor reductions in Scholarships, Education Gazette, and purchase of books.

Summary of Provincial Contracts.

Items.	Amount. ₹	Reasons for reduction.
Medical . . .	27,000	Over-estimate under establishment.
Scientific and	17,000	Non-recurring expenditure on Ethnological Enquiries.
Minor Depart- ments.	25,000	Veterinary College—abandoned.
Superannuations	50,000	Over-estimate.
Public Works .	4,75,000	Capital expenditure on the Orissa Coast canal and on Rail- way Surveys, almost or quite completed.
	2,06,000	Reduction in the grant for ordinary works.

On the other hand, we increased the estimate of Railway working expenses and Interest by ₹3,06,000.

51. The net result of these proposals is to bring out a surplus of ₹11,52,000, which can be resumed by the Government of India. But we pointed out that if the reductions we suggested seem too severe (and it is only in the case of Public Works that this can reasonably be urged), the Bengal Government has the remedy in its own hands, by the right it has to recoup itself for the Police charge of 3 lakhs a year of which it relieved the Municipalities, by transferring to them corresponding charges under the heads of Education and Medical Services, and so setting free its own funds for Public Works or other purposes.

Financial results of the new Contract.

52. The further recommendations, which we have made, but which we have not taken into account in framing the Contract, are as follows:—

Reduction of pay of Stamp Store-keeper and of establishment for the sale of stamps.

L levy of a rate from Wards' Estates on account of the services rendered to them by high Government officials.

Reduction in the establishment of the Customs Office, Calcutta, and in the salaries of the Assistant Collector and the appraising staff.

Reductions in the Port and Customs Offices of Chittagong and other ports.

Reduction in the cost of the establishment of the Board of Revenue.

Raising the fees charged by the Legal Remembrancer to the Wards' Estates.

Reduction of Police guards on public buildings in Calcutta.

Re-grading of District and Assistant Superintendents of Police.

Abolition of certain steam launches used by the Police.

Reduction in Contingent and Miscellaneous expenditure of Chittagong Frontier Police.

Amalgamation of the offices of Sanitary Commissioner and of Inspector General of Hospitals.

Reduction of allowances of the Superintendent, Scaldah Hospital.

Abolition of the Assistant to the Civil Surgeon, 24-Pargunnahs.

Reduction of cost of office establishment of the Inspector General of Hospitals.

Reduction of the diet charges in Calcutta Hospitals.

Reduction of allowances for charge of Medical Schools.

Substitution of Assistant Surgeons for Commissioned Officers as Superintendents of Vaccination.

Reduction of grant for the Zoological Gardens, Calcutta.

If these recommendations are carried out, it is estimated that they will ultimately produce a saving of about three and a half lakhs of rupees.

Summary of Provincial Contracts.

53. We have also included in our Note on the Contract a scheme for Provincialising the Eastern Bengal Railway, in addition to the other Railways which were already Provincial, as well as the repairs to some of the River Embankments, which have hitherto been Imperial. We laid our proposals before the Lieutenant-Governor at a conference, at which he explained how far he agreed with them, and we have recorded fully in the Note to what items he agreed and where he dissented. The Local Members have expressed their disagreement with some of the suggestions we have made, in a dissent which is appended to our Note.

54. We consider that in Bengal the finances are carefully controlled. The chief difficulty of the Government has been to curtail its expenditure gradually from the liberal scale on which affairs were administered during the last Contract, and the first year or two of the period now expiring. We think, however, that the Local Government would do well to study the developments, which have been introduced as regards the administration of Excise in Madras and Bombay, and that there is room for considerable economy in the Police and Education Departments, and in the treatment of Municipalities, which have been relieved of their Police expenditure without a full equivalent being substituted for it.

ASSAM.

55. The actual receipts of the five years exceeded the assignment by R14,95,000, or 15 lakhs. The actual expenditure exceeded it by R25,46,000 or 25½ lakhs. The following are the principal items of increase or decrease of Civil Heads on both sides of the account:—

	Receipts. R	Expenditure. R
Land Revenue	+4,39,000	+20,000
Stamps	+3,65,000	+27,000
Excise	+5,87,000	...
Forests	+1,03,000	+89,000
Police	+1,95,000	+3,41,000
Marine . . . . .	...	+1,33,000
Education	+57,000	+30,000
Medical . . . . .	...	+1,48,000
Scientific and Minor Departments . . . . .	...	+65,000
Stationery and Printing . . . . .	...	+65,000
Miscellaneous . . . . .	...	—2,32,000
TOTAL CIVIL HEADS (including minor variations not specified)	+15,59,000	+7,16,000

The increase in the receipts is due to the steady growth of the Land Revenue, which brought in 4½ lakhs in excess of the assumed figure; of Stamps, which brought in 3½ lakhs; and of Excise, which realised 6 lakhs above the Contract figure. There was also a slight increase under Forests, Police, and Education fees. On the expenditure side, 9 lakhs have been laid out on Railway Con-

Summary of Provincial Contracts.

struction, $2\frac{1}{2}$ lakhs have been spent on the subsidy to a Guaranteed Railway, and $6\frac{1}{2}$ lakhs were the additional expenditure on Ordinary Public Works. This accounts for 18 lakhs of the increase, and the remainder is attributable to the Civil Heads. The chief increase here is on Police, where the reorganisation of the Frontier Police was carried out at a cost of which the larger part was defrayed by a special grant from Imperial Funds. The expenditure of the current year exceeds the Contract figure by $8\frac{1}{2}$ lakhs, while the revenue exceeds it by nearly 5 lakhs.

56. In making our calculations as to the new Contract, we made very little alteration in the Budget of 1886-87. On the receipt side we considered the Land Revenue to have been under-estimated, and we raised the assumed receipts from the State Railways, though we also raised the working expenses by an equal amount. On the expenditure side we found no room for reduction except under Public Works, the grant for which we proposed to set back to the figure at which the Province stood at the beginning of the Contract. The reduction thus effected is 4 lakhs, and the result is to bring out a surplus of ₹1,86,000 which can be resumed by the Government of India.

57. With regard to the future, we have recommended that the Province be allowed a larger share than one quarter in the growth of Land Revenue and Excise, on the ground that the figures concerned are so small that there will be little play for the principle of judicious self-interest, unless the share in the profits to be obtained by good administration is larger.

58. We made two other recommendations leading to reductions, of which we took no account in framing the Contract: one is that the *Kestrel*, a steam-launch used by the Inspector General of Police, be abolished, as there is now a plentiful supply of steamers plying on the Brahmaputra; and the other that the charge of the Naga Hills District be amalgamated with the Political Agency at Manipur, as the Naga tribes are now to a great extent brought under subjection, and a good road connects the district with Manipur. An Assistant Commissioner would have to be substituted for a Deputy Commissioner, and the saving effected by these two recommendations would amount to about ₹18,000.

BURMA.

59. The Contract with Burma, like that for Bengal, began with a deficit, and was based on the assumption that the revenue would rapidly and largely increase, as it had done in the previous five years. This hope, however, turned out to be mistaken, and the deficit had to be met by special grants from the Imperial Treasury, and by a sudden contraction of Public Works. The original figures on which the Contract was based (arranged as in para. 10) were an income of ₹1,00,16,000 and an expenditure of ₹1,07,62,000, working out to a deficit of ₹7,46,000 annually. But the assignment was subsequently modified, as shown in paragraph 10, and the average figure on the revenue side for the five years was ₹99,64,000. The actual income, even including the special grants of 13 lakhs, fell short of five times of this sum by ₹1,93,000. There was a deficiency

Summary of Provincial Contracts.

of nearly six lakhs in the net receipts from Railways, and of three lakhs under Ordinary Public Works. There were further losses under Civil Heads. The chief items on both sides of the account are given below :—

	Revenue.	Expenditure.
	₹	₹
Land Revenue	+1,61,000	+2,40,000
Stamps	+3,22,000	.....
Excise	+1,30,000	+39,000
Forests	—1,51,000	—2,52,000
Customs	—1,95,000	+1,00,000
Post Office . . . . .	...	+1,49,000
General Administration . . . . .	...	+2,08,000
Law and Justice	—1,87,000	+6,73,000
Police	—7,35,000	+13,14,000
Marine	+1,20,000	+2,04,000
Education . . . . .	...	+3,59,000
Scientific and Minor Departments . . . . .	...	+5,25,000
Superannuation . . . . .	...	+2,00,000
Stationery and Printing . . . . .	...	+1,18,000
Miscellaneous . . . . .	...	—1,39,000
TOTAL CIVIL HEADS (including minor variations not specified here)	—6,45,000	+37,91,000

Land Revenue and Customs have fluctuated a good deal. On the whole term the former has produced more by $1\frac{1}{2}$ lakhs, and the latter less by 2 lakhs, than the Contract figure. Stamps have improved by 3 lakhs, and Forests have lost $1\frac{1}{2}$ lakhs: 7 lakhs have been lost by relieving the Municipalities of the contributions they formerly paid for Police.

60. On the expenditure side there has been an increase of ₹33,15,000 or 33 lakhs: of this 19 lakhs are the growth of the interest on the Sittang Valley Railway; 24 lakhs, on the other hand, have been saved by reducing Ordinary Public Works from 31 lakhs in 1882-83, to 12 lakhs in 1886-87. This leaves 38 lakhs as the increase under Civil Heads. There has been an increase of $9\frac{1}{2}$ lakhs under Land Revenue and Law and Justice on account of the creation of a new District, additions to the pay and number of Extra Assistants, and strengthening the Chief Court: Police has increased by 13 lakhs, partly through the general necessity of strengthening it, partly because the Municipalities have been relieved of their charges. Forests are the only Department which show a decrease. Education has increased by 31 lakhs, and Scientific and Minor Departments by 5 lakhs, on account of a new Agricultural Department and large expenditure on immigration. The Budget of 1886-87 shows an expenditure of ₹1,19,67,000 against ₹1,18,67,000 in the Contract, and a revenue of ₹1,19,68,000 against ₹1,09,77,000 in the Contract. It is evident from these figures that the Province has been struggling under great difficulties throughout the last five years.

61. In the present circumstances of the country it would be impossible to make a contract with Lower Burma, on the working of which any reliance could be placed; and we have advised the acceptance of the Chief Commissioner's suggestion, that the present Contract be provisionally extended for two years, subject to such modifications as we have thought necessary. The Budget of the current year places revenue and expenditure in equilibrium, as has been shown above. We have somewhat reduced the estimated receipts from Stamps and Customs, and

 Summary of Provincial Contracts.

have slightly raised the figure for Railway receipts. On the expenditure side we have taken a lower estimate for Survey and Settlement, as the operations of this Department are being contracted, and we have deducted 40 from Marine as being an item of non-recurring expenditure, provided on account of the purchase of a vessel for the Port of Akyab. We have kept the Public Works grant unchanged, at the low figure of 12 lakhs, but have assumed that the Establishment, which is now disproportionately large, will be reduced, and that the savings will be devoted to Original Works. The result is to bring out a surplus of R1,05,000 which might be resumed by the Government of India if this were an ordinary case. But in Lower Burma a large expenditure on account of Police is about to be incurred through the substitution of Natives of India for Burmese; and in other respects there is little assurance of stability either in the revenue or in the expenditure. We conceive, therefore, that it will be best to allow the present Contract to go on on the present terms, assisting the Province with special grants if necessary, and waiting till the disturbances have ceased and order prevails.

Further reductions recommended.

62. We have recommended certain further reductions in our Note, which we summarise here—

Collector of Customs, Rangoon,—pay to be reduced from R1,500 to R800.

Pay of Customs clerks to be reduced as unnecessarily high, even when compared with those in the Secretariat.

Translator's Department,—cost to be reduced.

One of the two Small Cause Court Judges, Rangoon, to be reduced.

Steam-boiler inspection, to be made self-supporting.

These reductions, if carried out, would effect a saving of R22,000.

The Future Provincial Contract with the Punjab.

Preliminary.

CHAPTER III.

THE FUTURE PROVINCIAL CONTRACT WITH THE PUNJAB.

[Figures entered thus,—2,08—without designation, mean Thousands of Rupees.]

PRELIMINARY.

The following table shows the working of the last Contract in the Punjab. Working of the expiring Contract. The assignment was considerably altered during the five-year period, the share in the revenue being increased as new expenditure was imposed on the Province, or was incurred with the sanction of the Government of India. In the table the average assignment for the five years is taken and multiplied by 5, and the figure thus obtained is compared with the actual revenue and expenditure of the five years.

Statement of Provincial Revenue and Expenditure in the Punjab from 1882-83 to 1886-87.

	REVENUE.					EXPENDITURE.				
	CIVIL.		PUBLIC WORKS.		TOTAL.	CIVIL.	PUBLIC WORKS.			TOTAL.
	Principal Revenue Heads.	Other Departments.	Ordinary.	Railways and Irrigation, &c., net.			Ordinary.	Interest on Railway and Irrigation, &c., Capital.	Capital Expenditure.	
	1	2	3	4	5	6	7	8	9	10
Average Assignment.	1,24.31	22.07	6.08	4	1,52.50	1,24.65	24.65	4	...	1,49.31
1882-83	1,21.00	17.47	6.25	11	1,44.83	1,18.19	30.42	34	6.22	1,55.17
1883-84	1,22.43	21.61	6.13	42	1,51.09	1,25.27	27.32	1.11	...	1,53.70
1884-85	1,25.46	18.88	5.85	32	1,50.01	1,24.70	28.11	1.81	...	1,54.62
1885-86 (Revised)	1,31.99	20.11	5.78	62	1,58.50	1,28.17	25.23	1.98	...	1,55.38
1886-87 (Budget)	1,31.88	18.74	5.42	83	1,56.87	1,33.10	27.53	2.00	...	1,62.63
Total of the five years	6,33.26	96.31	29.43	2.30	7,61.30	6,29.43	1,38.61	7.24	6.22	7,81.50
Five times average Assignment	6,21.55	1,10.35	30.40	20	7,62.50	6,23.25	1,23.25	20	...	7,46.70

N.B.—For an explanation of the mode in which the above figures are arrived at, see paragraph 10 of Chapter II, page 14

A fuller history of the working of the Contract will be found in the Note, which is reprinted as Appendix No. I to this volume: but from the preceding figures it is apparent that the revenue of the Province was less by 1,20 than five times the assignment. There was an increase of 12 lakhs under the revenue-producing heads, of which $2\frac{1}{2}$ were due to growth of Land Revenue, and the rest to Stamps, Provincial Rates, and Interest; but a diminution of 14 lakhs under "Other Departments." On the expenditure side, on the other hand, the outlay exceeded the assignment by 35 lakhs, of which $6\frac{1}{2}$ lakhs were incurred under "Civil Heads," 15 under ordinary Public Works, and 7 under interest on capital; and 6 were spent on the construction of the Amritsar-Pathankot Railway. This excess of 35 lakhs swallowed up the annual surplus of 3 lakhs, and 20 lakhs of the Provincial Balances; and the current year's budget is framed to bring out a deficit (i.e., to spend out of balances) nearly six lakhs of rupees.

2. As a preparation for settling our proposals concerning the Provincial

The Future Provincial Contract with the Punjab.

Land Revenue.

Basis of Contract.

Contract with the Punjab an estimate was made of the present standard of revenue and expenditure under each head affected by the Contract. The Budget figures of 1886-87 were taken as the general basis, but these were examined and compared with the figures of the past years, and modifications were made where that examination led to the conclusion that the Budget Estimate for any reason exceeded or fell short of what might be considered the normal standard. The estimate, thus drawn up, and the various questions, which had been addressed to the Punjab Government, were the subject of discussion with that Government during the last fortnight of July. We had several conferences with Mr. Tupper, the Junior Secretary. We had discussions also with Colonel Menzies, Inspector-General of Police, and with Colonels Perkins and Home representing the General and Irrigation Branches of the Public Works Department. We had also a final interview with His Honour the Lieutenant-Governor.

Discussions with local officers.

3. The general position of the Punjab Government, as shown in the estimate framed by us, was that their rate of expenditure had considerably exceeded the revenue assigned to them, including two special additions to the assignment, one in aid of the recent scheme of Judicial reorganisation, and one towards the cost of the extension of the Kanungo system. Our instructions were that the Imperial Government should not in the new Contract be placed in a worse position than it would find itself in, if the old Contract were simply renewed; and it followed therefore that if our estimates were correct, the Provincial Government would have to find the means of curtailing its expenditure (or of increasing its revenues) to the extent of nearly six lakhs of rupees annually.

General financial position of the Punjab Government. Retrenchment necessary.

4. We proceed to state the conclusions at which we have arrived, and the recommendations we have to make, after the discussion of the several matters with the Local Government. We deal both with the question of possible reductions of expenditure and with the settlement of the new Contract. The figures applicable to the latter are collected in two statements at the end of this chapter, and though they are in some respects changed from those of the previous estimate, the general result comes out the same, namely, that the new Contract should, as regards the measure of the assignment, be a continuation of the old one, and that this will involve a reduction in the present scale of expenditure of about seven lakhs of rupees, which is mainly realisable by a contraction of expenditure under the head of Original Civil Works.

LAND REVENUE.

5. *Revenue.*—The Budget Estimate of Land Revenue receipts for 1886-87 (including the portion of Land Revenue due to Irrigation) is 2,17,65. In ten districts the Settlement has already expired. If they had been re-assessed in time they would have given an increase of revenue as follows:—

In 1886-87	16,19
In 1888-89	3,55 more.
In 1889-90	1,80 more.
Total, by 1889-90	<u>21,54</u>

But the Settlements being in arrear, the amounts which it is estimated will

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Land Revenue.

Settlements in arrear. actually become realisable by new Settlements, were thus estimated in the Punjab letter of 16th June 1886:—

1886-87 Rawal Pindi	2,11		
„ Umballa and Karnál	75		
		— or a total of 2,86 in 1886-87.	
1887-88 Rawal Pindi	63		
Umballa	25		
		„ „ 3,74 in 1887-88.	
1888-89 Rawal Pindi	25		
Ferozepore	1,00		
Gurdáspur	1,00		
		„ „ 5,99 in 1888-89.	
1889-90 Ferozepore	30		
Gurdáspur	90		
		„ „ 7,19 in 1889-90.	

No further increase is estimated for 1890-91 and 1891-92.

6. The difference between the increase of 21,54 which should have been realised, and the anticipated increase of 7,19, is due for the most part to the fact that the new Settlements will not have been completed in the Amritsar, Siálkot, Hissar, and Shahpur districts (the Settlements of which have already expired), or in the Lahore, Gujránwalla, and Gujráat districts, where they will expire in 1888.

7. A plan has, it is understood, been submitted to the Government of the Punjab for effecting a Settlement of some of those districts without the preliminary laborious operations of a Settlement Party, but it has not as yet obtained the assent of the Lieutenant-Governor. The Government of India meantime has addressed the Lieutenant-Governor urging the adoption of some means of realising without inordinate delay the additional Land Revenue waiting for re-assessment.

8. The 2,86 estimated to come in in 1886-87 does not appear to have been included in the Budget Estimates. The Budget Note describes the Estimates as “repeating the Revised” with a small addition principally due to new Settlements; but as this addition is only 38, it is obvious that the new assessments above noted are not included.

9. We have not yet obtained full information as to the amount of revenue which the Punjab Government expects, but it would appear from these considerations that we should add to the Budget figure of 1886-87, viz., 2,17,65, the new assessment of 2,86 expected to come in in that year, less the 38 we may assume as already included, giving a total of 2,20,13. The figure would have stood about thirteen lakhs higher (16,19 — 2,86) if the pending re-settlements had been completed in proper time.

10. *Survey and Settlement Expenditure.*—The Budget Estimate is 6,06. Of this amount 18 is that part of the cost of a Party of the Survey of India which is charged to Revenue Survey. It is to be permanently employed in correcting the topographical maps and furnishing traverse data for testing Patwári maps. The remainder 5,88, is the cost of Settlement Parties, five of which are employed in the Punjab, the number being fixed with the intention that the Parties should complete thirty-one districts in thirty years, thus giving as nearly as possible one Party for five years to each district. A temporary increase of one Party, in order to take up the Kangra district, is spoken of, and we were informed in reply to our enquiries that provision for this Party is included in the Budget

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of 1886-87. The Punjab Government is also considering the possibility of placing the Survey under the Deputy Commissioner,—a measure which may effect some small saving.

11. From these facts, it would appear that the Settlement expenditure is of a permanent kind and ought to vary very little from year to year. The figures however are as follows:—

Provision for future Settlements. Budget high.	1883-84.	1884-85.	1885-86. Revised.	1886-87. Budget.
	5,86	5,42	5,19	5,88

There seems reason to think that 5,88 is an excessive figure for five Parties. The Budgets for 1884-85 and 1885-86 were 6,48 and 5,88 respectively, and were under-spent by 1,06 and 69 respectively. In the current estimate of 5,88, two items are certainly excessive, *viz.*, travelling allowance and miscellaneous contingencies. Until it is settled that a sixth Party is to be employed, it seems unnecessary to provide more than 5,20. The Punjab Government's estimate that a Settlement Party costs 1,20 a year, is not borne out by the accounts. They might be asked to reconsider the matter and to give some details of the estimate.

12. It seems worthy of note that, assuming only one lakh a year as the cost of a Party, and five years as the time taken, the outlay in the Settlement of a district comes to 5,00; and the average increase of revenue to a little over 1,50.

13. *Deputy Commissioners' Establishments.*—The cost of these has been:—

	1883-84.	1884-85.	1885-86. (Revised.)	1886-87. (Budget.)
Kanungo establishments.	80	82	1,15	1,95
Other establishments	15,73	15,92	16,26	16,03
TOTAL	16,53	16,74	17,41	17,98

The increase in the Revised Estimate of 1885-86 being apparently due to a temporary increase under salaries, and the number of officers not being increased, 16,03 seems a fair allowance for "Other Establishments."

14. The Kanungo Establishment is the result of the new system introduced under Revenue Department Resolution of 4th October 1881 upon the suggestion of the Famine Commission. As finally settled for the Punjab, the new system was to bring the old cost, R80,700, up to R2,08,600 (the Government of India granting from Imperial Revenues 60 per cent. of the increase, or about R77,000). We understand that the scale of establishment included in the Budget for 1886-87 is the final form which the scheme is to reach, and that the further increase from 1,95 to the original estimate of 2,08 is not required.

15. It is at present doubtful how far and how soon the work of this new Kanungo establishment will supersede the existing Settlement establishments. This is one of the matters still under consideration in connection with the general question of progress of Settlements in the Punjab; but when that Government comes to a more definite decision, it will have to be determined how far the estimate we have above made of the requirement of the cost of the existing Settlement establishments has to be provided for the whole term of the Contract,

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in addition to the Kanungo charges, which will certainly sooner or later to a great extent supersede them.

Office establishments. 16. On the office establishments of Deputy Commissioners some remarks will be made under Law and Justice.

17. The Punjab Government intimate a demand of 50 for the purpose of granting travelling and camp allowances to Tahsildárs and Náib Tahsildárs. We cannot admit this. Such a question cannot be raised for one Province only, as Tahsildárs cannot be granted higher allowances in the Punjab than elsewhere. The scale of Tahsildárs' allowances has already been raised during the existing Contract, from grades of R125, 150, 175, and 200, to grades of 150, 175, 200, and 250; and from a total monthly cost of R19,675 to a monthly cost of R22,525. They get the same rate of pay as in the North-Western Provinces, and the Government of the North-Western Provinces has not found it necessary to grant travelling allowances, though they have been considering the question of supplying tents. (See also under Registration—paragraph 38.)

18. *Other Charges.*—Under the head of "Other Charges" are included certain allowances to Frontier Chiefs, 28; Lambardárs' fees for collection of Irrigation Land Revenue, 3; and Rates and Taxes, 6.

STAMPS.

19. *Revenue.*—The Punjab Government consider that the Budget Estimate of 34,03 is placed too high and that only 33,50 should be taken, as 1885-86 realised only 33,40 against a Revised Estimate of 33,75. It is certainly the case that concurrently with a large increase in the number of the Civil Courts (see Law and Justice) the Stamp revenue in the Punjab has been falling off, the figures of the last three years being 34,03, 33,85, and 33,40, while the revenue in other Provinces is increasing; but we are unwilling, pending experience of the revenue during the current year 1886-87, to take a lower figure than the Budget Estimate.

20. *Expenditure.*—The sale of stamps, both non-judicial and judicial, is made through licensed vendors, who obtain a discount, in the former case of three per cent. (five if at a place where there is no *ex-officio* vendor), and in the latter of $1\frac{2}{3}$ per cent. (three pies per rupee). The average on the whole comes to 3.8 and 1.4 per cent. respectively. In the North-Western Provinces no discount is allowed on the sale of Court-fee stamps, the only charge being the salaries (at R10) of four or five vendors appointed at a few places of large sale.

21. Regarding the Inspector-General of Stamps and Registration, see remarks under Excise. His office consists of a Superintendent on R150 rising to R200; of two heads of the two branches on R100 rising to R125 and on R50 rising to R75, respectively; of four clerks on R30 rising to R50 and of three Moharrirs (vernacular clerks). The rate of R30 rising to R50 appears to be the lowest rate of pay in the English branch of the office.

EXCISE.

22. *Revenue.*—The Budget estimate was 14,16, namely, 76 on account of sale of opium and 13,40 on other accounts. Of the Sources of Excise revenue. 76, only about 6 would be received under the system

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hitherto in force, and the Budget therefore represents 13,46 corresponding to the present administrative system, and 70 expected to come in by a change of it. The 13,46 we accepted as probable upon an examination of past figures, and the 70 we held in abeyance, as the Government of the Punjab stated that there were difficulties in the way of carrying out their intended measures. The Punjab Government, however, now claim that the estimate should be 13,00 besides 27 import duty upon Malwa opium, alleging that 1885-86 has produced only 13,06 against a revised estimate of 13,15 (that is 13,20, less 5 of import duty). This revenue may be regarded as composed of—

Licenses and other duties on spirits	8,00
Licenses for drugs	1,45
Opium—Monopoly licenses	3,20
Acreage duty	35
Transit duty	27
	<u>3,82</u>
TOTAL	<u>13,27</u>

23. We have been unable to get any precise information as to the system of opium revenue, except that it has been somewhat unsettled during past years, and that a new system is proposed to be introduced in 1886-87. Recently, as we understand, no opium has been sold from the treasuries, the licensed vendors having procured the drug either by importation from Malwa, or by purchase from local cultivators. In the former case the opium paid a small import duty, which the accounts of 1884-85 show as R42,350, but which does not appear in the Excise Report. The Excise Report states that 445 maunds were imported at the quarter-duty of R175 per chest, which would give something like the R42,350; but that it was intended in 1885-86 to import at full duty. If the figures of the accounts are to be trusted, this measure has reduced the import from 445 maunds to less than 20.

24. The acreage duty on opium cultivation is R2, and the acre produces, according to the returns made to the Excise Department (i.e., excluding concealments), four or five seers (the average produce is estimated in the North-Western Provinces to be ten seers per acre). At this rate the average duty amounts to less than R60 per chest, against R600 or 650 obtained on Malwa opium.

25. The system of sale from the treasuries is to be introduced from 1886-87, but only as regards one hundred maunds, which the Gházipur Factory is to supply at R7-4 a seer, and the Punjab to sell at R12 a seer (against R15 in the North-Western Provinces and R22 in Bengal).

26. The Excise Report of 1884-85 shows the following statistics of opium:—

	Maunds.
Home-grown opium produced	1,396
Malwa opium imported	445
Other foreign do.	990
	<u>2,831</u>
TOTAL	<u>2,831</u>

But it gives the consumption at 1,191 maunds only, the balance being, it is believed, consumed in Native States. Supposing that this opium, instead of being consumed in the Punjab, were available for export, the clear revenue of

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Government at R400 per maund would be R11,32,400 on 2,831 maunds, whereas the Punjab Government gets hardly more than a third of this.

27. We have stated the facts, as far as they are known to us, but it is obvious that the whole subject requires further examination (a) and explanation at the hands of the Punjab Government. The Excise revenue in the Punjab has shown hardly any elasticity, the revenue at the time of the last Contract being taken at 13,00, while the Punjab Government now, five years later, claims 13,27 only as the proper estimate. The advance of revenue, in the other Provinces, during the same five years, has been very marked.

28. The geographical situation of some of the Native States is noted by the Punjab Government as presenting an obstacle in the way of the management of Excise revenue. The Bombay Government have surmounted obstacles of precisely the same nature by agreeing with the Native States to manage their Excise for them, or by buying up their rights. The same plan might be suggested to the Government of the Punjab.

29. Part of the Punjab revenue consists of a four-rupee duty on Sháhja-hánpur rum imported into the Province. The Punjab not having arranged to receive it in bond, the duty is levied as part of the Excise revenue of the North-Western Provinces, and the Provincial share is adjusted to credit of the Punjab, through the inter-provincial adjustments of the Account offices. The Provincial share of one-half is at present about 70, and appears to be very steady.

30. *Expenditure.*—The Budget Estimate contains 58 of ordinary expenditure and 80 representing a new proposal. As regards the first, a considerable part of this expenditure is on sudder distillery establishments, of which there are eighty, each composed of a moharrir and a small chaprassi guard. The Financial Commissioner proposes to abolish about half the distilleries, considering they are not required, and to employ the saving in providing regular police guards for those which he maintains. Besides the distillery establishments there is a Darogha on R25 to R50 for each district. This class of officer has been found useless and has been abolished in the North-Western Provinces.

31. The Budget for 1886-87 contains a proposal for an expenditure of 80 “for improvement of the Excise Department.” The amount is explained to have been twice taken and to have been really 40, and it refers to a proposal of the Lieutenant-Governor to establish a Commissioner of Excise. It may be convenient to notice in connection with it another proposal to appoint an Assistant to the Inspector-General of Stamps and Registration.

32. At present there is in the Punjab an Inspector-General of Stamps and Registration, on a pay of R1,500 a month.

In the Central Provinces, with a Stamp and Excise Revenue of 38 lakhs, against 50 lakhs in the Punjab, there is an Inspector-General of Stamps, Excise and Registration, who gets R1,200 a month, and who has under him an Inspector of Registration, on R200 a month.

(a) The subject has been further investigated, on consideration of papers obtained subsequently to the record of the above remarks,—vide Section B of Chapter II of Volume II.

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Provincial Rates. Assessed Taxes. Forests.

In the North-Western Provinces, where the revenue from Stamps and Excise is more than twice that of the Punjab, there is one Commissioner for the three Departments on R2,250 a month.

In Bengal the local Superintendency of Stamps is carried on by the Superintendent of Stamps and Stationery, whose work is mostly of a general and not a local and departmental character. There is, at present, an Inspector-General of Registration, but the revenue is six times that of the Punjab, and we are doubtful, even as it is, of the necessity for the separate appointment. The Department of Excise is managed by one of the Members of the Board of Revenue, just as in the Punjab it is at present managed by one of the Financial Commissioners.

In Bombay there is an Inspector-General of Stamps and Registration, but the Provincial Government are of opinion that the separate appointment is not needed, and they are prepared to amalgamate it with the office of Inspector-General of Prisons.

33. Considering, therefore, that the work of the Superintendency of Stamps is of a purely clerical nature, as all local arrangements should be in the hands of the District Officers, and that the whole Registration revenue is less than 1,80, we doubt whether there is any sufficient ground for maintaining the post. In any case we see no necessity for more expensive arrangements than the existing ones for the Superintendency of Stamps, Excise and Registration, and we deem that any such proposals for additional expenditure, after the recent large increase by re-organisation of the General Administrative Staff, should not be admitted in diminution of the Imperial resources.

More expensive arrangements than the present unnecessary.

PROVINCIAL RATES (PROVINCIAL SHARE).

34. *Revenue 6,34—Expenditure 1,45* (according to Budget).—The Provincial Government has accepted these figures as fair estimates. The local rates are about 20 lakhs of rupees, of which one-quarter is Provincial and three-quarters Local. Provincial bears the whole cost of collection, which is composed of 5 per cent. paid to Lambardárs for realisation and $3\frac{1}{2}$ per cent. paid to Patwáris for account-keeping, total $8\frac{1}{2}$ per cent., about one rupee out of every twelve. (The five per cent. rate was laid down in 1871.) No other Province shows anything approaching to such a high rate of charge; and we think that it should be reconsidered.

Charges of collection high.

ASSESSED TAXES.

35. *Revenue 9,00—Expenditure 25.*—A proper estimate of the revenue can be made only after the assessments are completed, and along with it must be made an estimate of the amount of refunds to be placed against this head. The expenditure for ministerial establishments ought not, after the completion of the first assessment, to materially exceed that which was found necessary for the collection of the License Tax, and we have taken the figure provisionally at R2,000.

Framing of estimate to be postponed until the assessments are completed.

FORESTS.

36. *Revenue 9,40—Expenditure 6,60.*—The Conservator advises the Provincial Government that 8,75, and 6,55, are suitable estimates. We had not an opportunity of seeing the Conservator, and the Govern-

The Conservator's estimates.

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Registration.

ment for the most part refers us to the Home(a) Department for further information. For the present, we have taken the Conservator's figures.

REGISTRATION.

37. *Revenue 1,77—Expenditure 98.*—The Local Government accepts these estimates. Of the expenditure 18½ is the part-cost of the Inspector-General of Stamps and Registration, and 79½ is mostly fees (44) and clerks and servants (33). The Deputy Commissioner is the Registrar for each district and the Sub-Registrars are—

- 33 Assistant Commissioners, Extra Assistant Commissioners, and Cantonment Magistrates.
- 123 Tahsildárs.
- 4 Náib Tahsildárs.
- 39 Non-officials.

In the first and last cases the payment is made by an allowance of 50 per cent. of the fees (reduced by half when above a limit of 100 or 50). Náib Tahsildárs get 20 per cent. of the fees.

38. All Tahsildárs on duty in the Province get a Registration allowance of 10 per cent. of their salaries (*i.e.*, of their pay *plus* acting allowance) whether they do Registration work or not, and even when deputed on special duty. We are not informed how many do Registration work, and how many do not; but the allowance is practically an addition to the Tahsildárs' pay (which was considerably raised in 1884), giving them, in the Punjab, a general scale of allowances, which, in other Provinces, is admissible only in respect of special additional duties. It is stated that the question of continuing the allowance to Tahsildárs, when not doing Registration work, is under consideration, but we understand that the Lieutenant-Governor is unwilling to take it away unless Tahsildárs are conceded the travelling allowances referred to under Land Revenue (*vide* paragraph 17). As the pay of Tahsildárs comes to R22,525 a month, the allowances in question amount to R27,000 a year. We are unable to say how much of this would be saved, if Tahsildárs were restricted to their sanctioned pay, and were allowed Registration fees only when they did Registration work.

39. The scale on which Registration is carried on in the Punjab seems to be more limited than in other Provinces, and in one class of cases, in which Registration is compulsory elsewhere, it is considered in the Punjab that entry in the Patwáris' documents obviates the necessity for it. As a matter of fact only about 65,000 documents were registered in 1884-85, being less than 300 (or one per working day) for each of the 236 registration offices. The clerical staff as above noted comes to R33,000, or about eight annas for every document registered.

40. The cost of the Inspector-General is 18½ under this head (more than ten per cent. of the revenue) and 19½ under Stamps. He does almost no Registration work, the fees received by him in 1884-85 being R2 only; and as there are only 39 non-official Sub-Registrars, there is almost no Department, in the sense of a body of Departmental officers, to direct and supervise. We have raised the question whether

(a) Since this was written, Forests have been transferred from the Home to the Revenue and Agricultural Department of the Government of India.

The Future Provincial Contract with the Punjab.

Refunds. Post Office. General Administration.

the office could not be combined with some other one, but the Local Government not only states that there is no other office that can be given him, but even proposes to give him an Assistant. We have dealt with this subject under "Excise," where we have referred to the arrangements in force in other Provinces (*vide* paragraphs 31—33).

41. Looking at the purely clerical nature of the work connected with Stamps, and seeing that out of 236 Registration offices 197 are worked by officers who in another capacity are subordinate to, and presumably are occasionally inspected by, the *ex-officio* District Registrar, we think that Rs. 1,500 is altogether too high a remuneration for the mere duties of superintendence of Stamps and Registration, and consider that the Punjab Government should be pressed to combine the appointment with some other existing office, such, for example, as the Inspector-Generalship of Jails, or else to lower the pay to that of a First Class Assistant and to confer the post on a junior officer.

The office of Inspector-General should be amalgamated with some other office or the pay should be reduced.

officers who in another capacity are subordinate to, and presumably are occasionally inspected by, the *ex-officio* District Registrar, we think that Rs. 1,500 is altogether too high a remuneration for the mere duties of superintendence of Stamps and Registration, and consider that the Punjab Government should be pressed to combine the appointment with some other existing office, such, for example, as the Inspector-Generalship of Jails, or else to lower the pay to that of a First Class Assistant and to confer the post on a junior officer.

REFUNDS.

42. We have only to note regarding these that they are taken at the average of the five years, 1881-82 to 1885-86 (Revised), none of which years contain exceptional figures (but see paragraph 35, Assessed Taxes).

POST OFFICE.

43. The Budget figures under this head were Receipts 25 and Expenditure 38 on Mail Cart Services, which, we were informed, were about to cease; and Expenditure 34 on account of District Post. The Government however now inform us that the Mail Cart Services are not meant entirely to cease and that 7 more will be required for a Mail Cart Service at Jhang. We have made no estimate of corresponding receipts. We get therefore $34+7=41$ Expenditure.

Mail Carts.

GENERAL ADMINISTRATION.

44. The 9,70 of Provincial Expenditure under this head is composed as follows according to the Budget of 1886-87:—

Sub-heads of expenditure.		
(1) Lieutenant-Governor	.	96
(2) Household	.	26
(3) Travelling allowances of Lieutenant-Governor and household	.	55
(4) Ditto of Secretariat	.	23½
(5) Civil Secretariat	.	2,05½
(6) Military Secretariat	.	36
(7) Financial Commissioners	.	1,82
(8) Commissioners	.	3,37
(9) Provincial Establishment in Account Office	.	9
		<hr/> 9,70

45. Under the first three heads we repeat the Budget provision. All that seems necessary to note about the fourth head here, is that 4 out of the 23½ is provided for the Military Secretariat and that the greater part of this 4 should be saved, now that the main work of that branch has ceased.

Pay, &c., of the Lieutenant-Governor.

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General Administration.

Civil Secretariat Establishments. 46. Since 1882 the staff of the Civil Secretariat has been as follows :—

	R
Secretary on	2,500
Junior Secretary on	1,300 rising to 1,600
2 Under Secretaries on	R1,000 and 900
3 Assistant Secretaries (including Meer Moonshee) on an average of about	600

The total cost of the Secretaries is about R7,500 a month. There are 58 Clerks, costing on an average R108 a month and aggregating R75,000 a year.

47. There is no division of the Clerical Staff into Departments. The number of letters received in 1885 was 24,472, and the number issued 19,224, besides 709 unofficial references.

Contingent expenditure. 48. The recent increase in the contingent expenditure of the Secretariat has been explained at length, and is due to special causes. In the Budget of 1886-87 it returns to a smaller scale. We drew attention to the very large expenditure upon postage, both in the Secretariat, and in some other offices in the Punjab. We received no reply, but a verbal explanation attributed it to an expensive method of carrying records between Lahore and Simla by post.

Over-estimate. 49. Upon the whole account of the Secretariat, the Punjab Government admits an over-estimate of R2,000 or R3,000 for Clerks, and it may be possible to reduce the heavy postage charges.

Military Secretariat. Abolition of appointment of Secretary under consideration. 50. The pay of the Military Secretary, which varies according to rank, and is 10 in the Budget for 1886-87, will be saved by the transfer of the Punjab Frontier Force to the jurisdiction of the Commander-in-Chief. In his establishment and contingent charges,—which add 20 to this charge—a saving should be effected, but the Government urge that as the office deals with other subjects beside that of the Punjab Frontier Force, only a part of the establishment can be spared. As we found that this matter was being discussed between the Punjab Government and the Military Department of the Government of India, we have abstained from enquiries into it. We note, however, that the average pay of the establishment is R135 a month, whereas that of the Civil branch is R108 only, a fact which would indicate the possibility of some saving in the scale of salaries.

Financial Commissioners. 51. There are two Financial Commissioners drawing respectively R3,500 and R3,000. They have two Secretaries on R1,200 and R900. This scale was sanctioned as part of the re-organisation in 1884, before which there was one Financial Commissioner only, the second one now taking the place of the then Settlement Commissioner. The Local Government does not think saving in these appointments to be possible.

High pay of establishment. 52. We drew attention to the fact that the establishment had an average salary of R120 a month, whereas in the Civil Secretariat the average was much less. The Government in their reply state that the "Financial Commissioner hopes to reduce the average scale of salary in revising the establishment," but it would appear that he has meantime proposed an increase of hands, costing R3,250, of which no part is met by any reduction in the scale of existing salaries.

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Law and Justice, Courts.

53. Our question as to the existing Assistant Secretaries was met by the explanation that these are really what are elsewhere ministerial appointments, that is, Office Superintendents or Registrars. If that is the case, the clerical establishment is really composed of 28 men drawing an aggregate of Rs50,600, or an average of Rs150 a month. It follows that if the scale of salaries in the Financial Commissioners' Office was reduced to the scale prevailing in the Secretariat, *viz.*, to an average of Rs108 only, the twenty-eight men would cost only Rs36,288, and there would be a saving, as compared with the present scale, of over Rs14,000—four times as much as the Financial Commissioners require for their proposed additional establishment.

54. The number of the Commissioners has been reduced from ten to six in the recent re-organisation, which transferred part of their duties to special judicial officers. In this case also we drew attention to the high average rate of pay of the clerical establishment, which was Rs110 a month, the corresponding figure in the North-Western Provinces being Rs90. The reply of the Government is not clear as to the necessity for this. It is obvious, as the Government say, that the cost of a Commissioner's Establishment must on the average be higher than that of a Deputy Commissioner's, but not that the difference should be so great as between an average salary of Rs50, and an average salary of Rs110.

55. A Commissioner's pay in the Punjab is Rs3,000 (2,750 + 250 travelling allowance) a month. The pay, as proposed to the Secretary of State in the re-organisation in 1883-84, was the formerly prevailing one of Rs2,500 + 250 travelling allowance. The circumstances of the increase have not been explained in the papers in our possession.

56. It would seem that on the whole expenditure provided under Administration we may assume a reduction of Rs2,500 for over-estimate under Civil Secretariat, and of Rs16,100, the provision for Military Secretary's pay, say Rs19,000, including other allowances of the Military Secretary. There is also, as above explained, possibility of further savings. The question of hill-journey(a) allowances is also not yet included in these figures.

LAW AND JUSTICE, COURTS.

57. *Expenditure.*—The 27,89 of the Budget of 1886-87 is made up as follows:—

Chief Court—Judges	.	.	.	.	.	1,67
Establishment	.	.	.	.	.	86
Law Officers	.	.	.	.	.	35
Civil and Sessions Courts	.	.	.	.	.	12,33
Small Cause Courts	.	.	.	.	.	41
Criminal Courts	.	.	.	.	.	11,85
Refunds	.	.	.	.	.	32
					27,89	

58. The charges under this head have been considerably increased by the recent Punjab Courts Act, and the re-organisation of Courts intended to carry out its provisions. This re-organisation was carried out with the double object of improving the administration of justice, and of better-

(a) The allowances granted to officers accompanying the Punjab Government to Simla have been separately considered,—*vide* Volume II, Chapter XIII, Section E.

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Law and Justice, Courts.

ing the position of the members of the Punjab Commission. In view of the fact that the scheme has been in operation for less than two years, we abstain from making any proposal for its reconsideration, but we think it right to point out that it is in some respects a more costly system than that of any other Province, and that if any modifications, either of system or of *personnel*, are to be introduced (of which we understand one or two to be at present in contemplation), they should certainly be in the direction of reducing, and not of increasing, the expenditure.

59. The following general sketch of the scheme of Civil Jurisdiction is necessary as a preliminary explanation of the system at present in force :—

The jurisdiction of the several descriptions of Courts.

Limit.	Original Jurisdiction.	First Appeal.	Second Appeal.
R			
500 Small Causes	Munsiff	District Judge	None.
500 Other Causes	Do.	Divisional Judge.	Chief Court (unless first Appeal dismissed).
1,000	Do.	Do.	Chief Court.
5,000	Sub-Judge	Do.	Chief Court. { The annual number of original suits of these values is about 1,100.
Above	Do.	Chief Court.	

60. The Chief Court consists of four Judges, and in the opinion of the Punjab Government the addition of a fifth will shortly be necessary. This would give it as large a staff as the High Court of the North-Western Provinces, where the amount of litigation to be provided for is far greater; but it must be remembered that in the Punjab second appeals (which it will be seen from the above sketch are the main work of the Chief Court in its Civil Jurisdiction) are allowed on matters of fact, and are not, as in other Provinces, confined to matters of law.

The Chief Court.

61. The Divisional Judges, of whom there are thirteen, have salaries of R1,800, 2,250 and 2,500, and besides Civil work have Sessions duties also. They correspond to Civil and Sessions Judges in other Provinces, and they all have more than one district in their jurisdiction. It will be seen from the above that appeals of however small value are tried by them, the only cases too small for their jurisdiction being Small Causes of less than R500 in value.

The Divisional Judges.

62. The District Judge is in thirteen districts a separate officer; in seventeen the Deputy Commissioner exercises the powers. Of the District Judges, twelve are also the only Subordinate Judges of their Districts, and one, that of Simla, has a Subordinate Judge under him. Of the seventeen Deputy Commissioners, nine have Subordinate Judges, and eight (in the smaller districts) have no such assistance. Of the thirteen District Judgeships, nine are reserved for officers of the Commission, five on R1,500 and four on R1,200. One of these appointments is at present held by a Native on two-thirds of the salary which a European would draw. The remainder are taken from the staff of Extra Judicial Assistant Commissioners, of whom the four seniors get R1,000 and R800.

The District Judges.

The Future Provincial Contract with the Punjab.

Law and Justice, Courts.

63. The Munsiffs' powers are exercised by a staff of Munsiffs (numbering apparently 83, but of whom, through vacancies in the staff, possibly only something over sixty are actually on duty) and by extra Judicial Assistants, so far as they do not through officiating vacancies occupy higher grades. There is at least one Munsiff in every district, except Simla (where there is a special Subordinate Judge) and the Trans-Indus Districts.

64. Although the Divisional Judges are not, as compared with the Civil and Sessions Judges of other Provinces, overpaid with reference to the jurisdiction they exercise, there seems to be a waste of judicial power in including within their jurisdiction causes of which the value runs down to one rupee.

65. The District Judges appear to be very highly paid with reference to their work. They have no greater original powers, and they have much smaller appellate powers, than are exercised in the older Provinces by Subordinate Judges, whose pay is, according to grade, Rs500, Rs600 and Rs800 (a), and yet they draw in five cases Rs1,500, in four Rs1,200, and receive in only four cases less than the latter amount.

66. Those Subordinate Judges who are not District Judges draw pay comparable to that drawn in other Provinces; but when we come to the Munsiffs we find that they also draw higher allowances than elsewhere, as there are reckoned among them officers drawing Rs500 and upwards.

67. The distribution of officers was made on the general principle that an officer, whose time was wholly given to judicial work, should be able to dispose of 960 to 1,200 cases a year, a Small Cause being considered half a case. The returns show that those Munsiffs, who are purely judicial officers, get through just over 2,000 cases a year (including Small Causes).

68. The present scale of expenditure upon the Civil Courts (estimated at 12,33) includes some special establishments which have been provided to overtake arrears, which had accumulated under the old system, and which the new system at first, in consequence of the use of double benches, failed to overtake. We are informed that Rs24,000 are provided in the Budget for temporary Divisional Judges, and Rs18,000 for an additional or fourteenth permanent Judge. This Rs42,000 we therefore omit in our estimate of the future scale of expenditure.

69. As already noted, the Punjab Government considers that it will be necessary immediately to create a fifth Judgeship in the Chief Court, as well as a fourteenth Divisional Judge. We have not considered these requirements in fixing the terms of the Provincial Contract. It will be for the Provincial Government to satisfy the Government of India of the necessity of making additional allowances sufficient to meet them.

70. The expenditure under the head of Small Cause Courts represents three Courts: Delhi (number of cases 3,233), Amritsar (number of cases 4,167), and Lahore (number of cases 5,357). The Judges are three of the Extra Judicial Commissioners. The Lahore Judge is allowed a Munsiff as Registrar who has jurisdiction up to Rs10.

(a) In Bengal, Small Cause Court Judges are graded with Subordinate Judges, and there is a grade of Rs1,000 also.

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Law and Justice, Courts.

71. The question was raised under the head of Criminal Courts whether it was not possible to abolish the separate Cantonment Magistrates. The Cantonments of Umballa, Jullundur and Meer are too far from the Civil Stations to admit of any other arrangement than that of appointing special officers for the conduct of the work. As regards the other places, where Cantonment Magistrates are appointed, the following figures shew the amount of a year's work (1885):—

	Original Civil Cases.	Miscellaneous Civil Cases.	Execution Cases.	Cantonment Act Cases.	Other Criminal Cases.
Sialkot	392	45	180	121	87
Ferozepore	1,527	43	759	310	195
Rawal Pindi	1,728	101	1,008	622	185
Mooltan	759	32	307	429	84
Peshawar	868	25	622	427	87

72. The exact meaning of our enquiry as regards these officers does not appear to have been quite apprehended by the Punjab Government. We do not doubt that some of them have their time fully occupied, and that the transfer of their work to the regular District staff would necessitate the enlargement of the latter, in such cases, by one man. But a Cantonment Magistrate in the Punjab costs on an average RS50 a month, because though his time is largely (perhaps mostly) taken up with petty and unimportant work, an officer must be provided of standing and qualifications equal to the occasional important work that he may have. The question therefore was whether, by amalgamating the work with the rest of the work of the District staff, it could not be adequately provided for at an additional expense of less than RS50.

73. Our suggestion is that at stations, where an Assistant Commissioner is posted, he should undertake the Cantonment cases in which Europeans are concerned, and that an additional Extra Assistant Commissioner be appointed for the other cases, where they are sufficient in number to justify such an appointment, which hardly seems to be the case in Mooltan and Peshawar and certainly not in Sialkot. It would probably be necessary also to allow a Staff salary of R100 to the Station Staff officer or other selected military officer for doing the executive work (sanitary and other) of the Cantonment under the orders of the Commanding Officer. This would produce a saving of above RS500 a month on an average in each of these Cantonments.

74. Our attention was also drawn to the number of the clerical Establishments, regarding which we have to note the following statistics:—

	Number of Clerks provided in the Estimates.		
	1884-85.	1885-86.	1886-87.
Civil and Sessions Courts (clerks and servants)	41	227	334 ^(a)
Criminal Courts	588	580	569
TOTAL	629	807	903

(a) The clerks and servants are shown separately only in the estimates of 1886-87, viz., clerks 188 (105 + 83) and servants 146 (90 + 56).

The Future Provincial Contract with the Punjab.

Law and Justice, Jails.

It might have been expected that the relief of the Criminal Courts by the new Civil and Sessions Courts would have caused some appreciable diminution in the establishment of the former.

75. *Receipts* (Budget Estimate 3,41).—There has been a continuous reduction in the receipts under this head, partly because the figures of the year on which the Contract was based included some special items, and partly because good seasons and times of peace have reduced that part of the receipts which represents magisterial fines. The estimate of 3,41 is accepted by the Provincial Government.

LAW AND JUSTICE, JAILS.

76. *Manufactures* (Budget Estimate 3,06 — 1,54=1,52).—The net receipts from Jail manufactures have been increasing of recent years, but mainly by reason of the employment of convicts upon certain irrigation works, which are now so far advanced, that there is little opportunity for the employment of large numbers in a single place, the only method which does not involve too great cost in guards and other arrangements. The net amount 1,52 is composed of 1,05 gained by hire of convicts and 47 by other employments, and the Punjab Government maintains that it will on the whole suffer a loss of 50 by the cessation of the irrigation works. The question of the remunerative employment of prisoners is, we are informed, engaging the attention of the Government.

77. *Other Items*.—Dividing the supplies and services from the other expenditure, the following figures give the statistics of past years :—

	Supplies and Services.	Other charges.	Total.
Accounts, 1881-82	4,34	3,97	8,31
Contract, 1882	4,35	3,89	8,24
Accounts, 1882-83	3,55	4,02	7,57
1883-84	3,27	3,79	7,06
1884-85	2,92	3,85	6,77
Revised, 1885-86	2,25	3,64	5,89
Budget, 1886-87	3,05	3,98	7,03

78. We proposed to the Punjab Government to reduce the estimate of 7,03 to 6,20, mainly on the ground that an unnecessarily large margin had been provided for possible high prices and possible increase in the number of prisoners. They objected to this reduction and proposed either of two courses : (1) that the Estimate should be increased to 8,00 in all,—that is, from 6,20 to 6,46 under supplies, services and other charges in addition to the 1,54 given for manufactures, and that while they themselves would bear the burden of any further increase to the extent of 50, any excess over 50 should be borne by the Imperial Government; or (2) that the Budget Estimate as it stands should be taken. The first of these courses involves arrangements which are almost unworkable in themselves, and are certainly opposed to the principles of Provincial responsibility. The second involves a higher demand than the expenditure seems to

The Future Provincial Contract with the Punjab.

Police.

warrant. Admitting that the existing scale of expenditure is specially low, still the first four years of the Contract give an average of 3,00 for supplies and services, and of 3,82 for other charges, total 6,82; and the chances are that an average taken over the five years, when they are complete, will be still smaller. We may therefore safely reduce the estimate of 7,03 to 6,82. This, it will be seen, provides nearly a lakh of rupees for expansion above the scale of last year, 1885-86.

POLICE.

Sub-heads of expenditure.
Net charges steady.

79. *Provincial Expenditure.*—The Budget Estimate is 31,13, besides Imperial 2,39. This amount is made up as follows:—

Superintendence	1,40
District Force	28,82
Special Police	52
State Railway Police	6
Cattle-trespass	31
Refunds	2
	<hr/>
	31,13

The net charges, after deduction of receipts on account of Municipal Police, have hardly varied for some years.

80. There are in the Punjab an Inspector-General and three Deputies. In the North-Western Provinces, with a larger force, and

Superintendence.

a much larger number of districts, there are an Inspector-General and two Deputies. The Government of the Punjab justify the existence of the larger number of Deputies, by insisting upon the greater necessity of discipline among the Punjabis, and by claiming that much of the

Deputy Inspectors-General,
the nature of their work.
Proposed reduction in number
from three to two.

work done by the Police Department in the Punjab is thrown upon Commissioners and Magistrates in the North-Western Provinces. The first of these arguments is to some extent a matter of opinion, but even admitting it, it seems insufficient to justify so large a difference as that between four inspecting officers for 29 districts, in the Punjab, and three inspecting officers for 44 districts in the North-Western Provinces. So far as regards the second reason given by the Punjab Government, our enquiries in the North-Western Provinces show that the Punjab authorities are wrongly informed, and that as a matter of fact the Deputy Inspectors-General in the North-Western Provinces deal with a number of subjects which seem to be outside the work of the Police Department in the Punjab. We have obtained from the Inspector-General in the Punjab, a list of twenty-three items describing the duties of the Deputy Inspectors-General. Several of them are covered by the general description of supervising and directing the work of subordinates, but taking the twenty-three as they stand, there is only one out of them all, *viz.*, the hearing of appeals from men dismissed by the district authorities, which does not fall within the functions of the Deputy Inspectors-General or of the Inspector-General in the North-Western Provinces. Even in the case of this one item, the Police Department is not really relieved of any work, as all second appeals, which are almost a matter of course, are preferred to the Local Government and are practically re-examined by the Inspector-General.

81. On the other hand, the Inspecting Officers in the North-Western Provinces have a great deal to do which is not included in the duties of those of the

The Future Provincial Contract with the Punjab.

Police.

Punjab. For example, they have to examine and direct the operations of the Police in the prosecution and suppression of crime, more especially of organised crime. Not one of the twenty-three duties quoted to us by the Punjab authorities has any reference to crime, and of the 127 questions, the answer to which constitutes a Deputy Inspector-General's inspection report in the Punjab, not one refers to the state of crime, to success in investigation, to the personal proceedings of the higher officers in investigation or to cognate subjects, all of which have a prominent part in the inspections of the North-Western Provinces officers. In short, the Deputy Inspectors-General in the Punjab confine themselves to matters of discipline, organisation, arms, accoutrements, office work and rules of business; and the 127 questions we refer to might, in our opinion, in very many instances be completely dealt with by officers of the standing of clerks. We do not doubt that the three officers in question are fully employed, but we think that it would be easy so to re-allot the duties that the Inspector-General and two Deputies at most might do them all. The difference between the organisation of the Punjab and of the North-Western Provinces seems to us to be this. In the latter the three officers, the Inspector-General and his two Deputies, divide among themselves the whole work of inspection, the Inspector-General taking a rather smaller share, as he has also to act as the supervising officer of the other two. There are thus only two stages in the Department, the executive officer and the superintending staff above him. In the Punjab, on the other hand, the Deputy Inspectors-General make a distinct third stage in the work, of which the whole amount is thus multiplied. We do not think that the Punjab Government has shown that it could not easily so re-arrange the work that, as in the North-Western Provinces, all, that is necessary to be done by highly paid officers senior to District Superintendents, could be done by the Inspector-General and two Deputies.

82. As regards the Inspector-General's office establishment we find that, besides the Personal Assistant, graded as a District Superintendent, allowed him, he employs on his establishment in purely clerical work one of the District

Inspector-General's office, a Superintendent as well as the Personal Assistant employed in.

Superintendents allotted to the Province. The employment in this way of an officer created under a special

Act of the Legislature appears to be an unnecessarily costly arrangement; and we think it ought to cease. An Office Superintendent on R200 or R250 seems more suitable to such a position. The Inspector-General quotes him as "employed in lieu of a Superintendent on R400," but as the highest paid officer in the office of the Inspector-General of Police, North-Western Provinces, gets R300 only, we are not prepared to admit the necessity of the employment of a Superintendent on R400 in addition to the Personal Assistant.

83. The Inspector-General has also the immediate assistance of two other officers of the standing of District Superintendents, making four in all. One of these is the Assistant Inspector-General for Railway Police, the other is a specially employed officer whose status will be noted hereafter (paragraph 85).

The Inspector-General immediately assisted by two other officers.

84. The abolition of one of the Deputy Inspectors-General should diminish the cost of the Superintendence by R20,000 a year, as it should reduce not only the salary charges but also those for contingent and other expenditure. The District Superintendent, to whose employment we have raised objection, costs at least R3,000 per annum more than an Office Superintendent would cost, and this amount also might be saved.

Proposed savings.

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Police.

85. It will be convenient to notice the Special Police here. The Budget provision is 52, out of which 12 represents the provision for a small Department engaged under the direction of a selected District Superintendent in collecting and recording information relating to political offences and political matters. It is partly in connexion with the Foreign Secretariat of the Government of India, which pays (through inter-provincial adjustment) R4,800 a year towards the charges, in addition to the R12,000 provided in the Budget Estimates of the Punjab Government, the actual charges amounting to about R16,800 (and the deduction being wrongly taken against the estimate of expenditure instead of in the adjustment). The work of this Department is very nearly allied to part of that performed by the Superintendent of Thuggee and Dacoity, and we have suggested in dealing with that Department, (a) that it might be possible to abolish the separate Department under the Government of the Punjab and to amalgamate the work with that of the Superintendent of Thuggee and Dacoity. Such a measure would save the R16,800 which the Punjab Government pays and would add only some very small amount, if anything, to the establishment of the Thuggee and Dacoity Department.

86. The thirty-one District Superintendents provided under the head of District Executive Force. District Executive Force are exclusive of the four above mentioned as attached to the office of the Inspector-General, of whom we have recommended the abolition of two. There are, besides, twenty-four Assistantships, of which some are required for officiating vacancies in higher grades and some are special appointments reserved for Natives. The proportion of Assistants is higher than in some other Provinces, but they are said to fill to some extent the place which in other Provinces is occupied by the comparatively large number of Inspectors. We think that for small districts like those of the Punjab, the staff of Assistants should not be larger than is necessary to fill up vacancies among the District Superintendents; that is, that there is no occasion for having more than one qualified officer (Superintendent or officiating Superintendent) actually on duty in each District. For subordinate charges, Inspectors are, save in very exceptional cases, preferable to Assistant Superintendents; and the same money, which provides one Assistant, will provide two Inspectors.

87. There has been some recent increase in the miscellaneous allowances of constables, but it did not add to the whole cost of the force. A reduction in the number of Mounted Police was made the occasion of affording some special allowances which the Local Government considered to be required, as generally improving the position of constables and promoting recruitment. One new charge, that for Chinaman Guards, is likely to cease shortly, being connected with the employment of convicts upon irrigation works.

88. Our attention was drawn to several excesses over Budget grants on account of contingent expenditure. Our enquiries showed us that the expenditure was in practice well controlled, but that through deficiencies in the procedure (which will be remedied) the control was not sufficiently connected with the actual accounts.

(a) *Vide* Volume II, Chapter VI.

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Police.

89. It is difficult for us to pronounce an opinion upon the question of the strength of the Police force, as it may be affected by matters not within our cognisance, but we have obtained the following statistics, and it is at least remarkable that in all three respects, in which it is possible to make a comparison, the force in the Punjab is much stronger than that in the other two Provinces of Northern India :—

Comparative table showing number of Police proper per 10,000 of population, per 100 square miles and per 1,000 cases of cognisable crime (1884).

Provinces.	Number of Police proper.	Population.	Area in Square miles.	Number of cognisable crimes.	Number of Police per 10,000 of population.	Number of Police per 100 square miles.	Number of Police per 1,000 cognisable crimes.
North-Western Provinces and Oudh .	25,024	43,268,599	94,583	152,786	5.7	26.4	162.7
Bengal .	24,004	65,961,160	151,823	112,365	3.6	15.8	213.6
Punjab .	20,660	18,842,264	106,632	62,510	10.9	19.3	330.5
Central Provinces .	8,407	9,838,791	84,445	20,487	8.5	9.9	410.3

90. *Imperial Expenditure.*—The Imperial Expenditure comprises two items, the first being a frontier force of Police which costs 93 (besides 6 for buildings) and the Police on the North-Western Railway costing 1,46. As regards the first, the Punjab Government have no objection to accept it as a Provincial charge, provided that the assignment for it will be increased in the event of Political troubles necessitating the increase of the force (a). As regards the second, which is at present a body distinct from the District Police, managed by a special officer, and costing 1,46 per annum, proposals are at present under discussion for substituting for it a force organised on the plan introduced on other Railways in India, namely, chaukidars for watch and ward, who will be under the orders of the Railway authorities, and a limited Police force under the orders of the Police Department. This measure will tend in a small degree to economy.

91. The only change we make in the estimate of future expenditure is the reduction of 16 provided for Chinaman Guards, which goes with the reduction of the 50 under hire of convict labour. This reduces the estimate from 31,13 + 2,39 to 30,97 + 2,39. But the other reductions we have proposed, would amount if they were carried out to—

	₹
<i>Provincial.</i> —One Deputy Inspector-General about . . .	20,000
One District Superintendent, about . . .	3,000
Special Police Bureau; provision . . .	12,000
<i>Imperial.</i> —New system of Railway Police . . .	Not estimated.

92. *Receipts, 6,13.*—These are chiefly the receipts from Municipalities and Cantonments on account of their Police. At present the Municipal and Cantonment Police are part of the regular Provincial force, contributions being received for their cost, which is thus credited and debited in the Government accounts. Not much has yet been done towards carrying out the order of 1882, that the Police charges should be taken over from Municipalities and an equal amount of other charges given. The preliminary step of raising the Municipal Police charges to a sufficient standard has been the subject of orders by the Local Government and no charges have been taken over without the substitution of an equivalent.

(a) See also Volume II, Chapter IX, Section C, paragraphs 30—35.

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Education.

93. Part of the receipts represent the income of pounds as it stood in March or April last. Since then, a part both of the Pound Funds. receipts and charges of pounds has been transferred to Local Funds. Subject to the adjustment arising from this transfer the estimate is accepted by the Local Government.

EDUCATION.

94. *Expenditure* (Budget Estimate 8,78).—The expenditure under the head of Education is almost necessarily increasing, the largest share of the increase being under Grants-in-aid. The Provincial expenditure of 1884-85 was 7,14, and the Revised Estimate of 1885-86 was 7,40, as it included a special grant of 40 to the Punjab Chiefs' College. A still larger increase of 1,38 has been made in the Budget provision for 1886-87, and the Local Government consider the whole amount necessary to enable them to carry out their intentions as regards Grants-in-aid.

95. Out of the Budget Estimate of 8,78, however, 75 represents a temporary obligation. The "Punjab Chiefs' College" has been started partly with the political intention of preventing the better classes in the Punjab from being ousted by foreigners in the race for education and for Government employment, and the Local Government has pledged itself to make a grant from Provincial revenues of a rupee for every rupee subscribed from private funds towards the building and endowment. A good deal more than 75 will be spent on that account in 1886-87, and something will remain to be spent in after years, though it is understood that the fund, as originally designed, is nearly complete. The charge is a somewhat heavy one at present, and it seems advisable to leave it out of the reckoning in fixing the ordinary charges of Education, and to provide for it (if necessary) specially in the Provincial arrangement to be made, by adding to the assigned revenues an amount equal to the subscriptions received after 1st April 1887. The only permanent charge which is intended to be borne by Government on account of this College is about Rs17,000 per annum for the pay of the Principal, a retired Colonel on Colonel's allowanees.

96. As regards the grant itself, the Punjab Government represents that it is pledged to it. The grant has already, as we understand, involved a liability of about 1½ lakhs of rupees. objections to the grant to. Building grants on such a large scale, at so high a rate in proportion to the contributions, and to a class so eminently able to provide for its own wants, are opposed to the general policy of the Governments in India; and we cannot help remarking that at the time the Government of the Punjab pledged itself to give aid out of Provincial revenues to an amount equal to that paid up by subscription, the Provincial revenues were already insufficient for the expenditure charged against them. We consider it very doubtful if such a pledge should be admitted as a ground of claim for additional aid from the Imperial Government.

97. *Receipts*, 92.—The estimate is accepted by the Punjab Government, but the amount ought certainly to be increased in future. Steps have been taken to increase the rate of school fees, and it is intended to double them, by adding a quarter to the rates every year for four years.

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Medical.

98. Since the Budget was drawn up, twenty-eight District schools (with Schools transferred to Municipalities. attached primary schools) have been made over to Municipalities. Their receipts are Rs35,000 and their expenditure Rs1,87,000, which will be adjusted against the transfer of Police charges, referred to under the head of Police.

99. The Local part of Education is not referred to in these figures. It is composed of three lakhs expenditure upon schools, and of nearly two lakhs other expenditure, upon inspection, Grants-in-aid and scholarships; and the receipt side shows half a lakh of fees. The general aim of the Punjab Government is to withdraw from the direct management of schools, by placing existing schools under Municipalities and District Boards, and by substituting the grant-in-aid system for that of direct Government support.

MEDICAL.

100. *Expenditure.*—The Budget estimate is 5,74.—This is accepted by the Local Government as the present measure of the expenditure. But it is subject to a reduction of 11 as explained under the head of Vaccination.

101. The Local Government are prepared to accept one economy here in the superior establishment. They consider that the Inspector-General is well able to supervise Sanitation as well as Dispensaries, and in this view we concur. The establishment is at present—

	R	R
Inspector-General, Civil Hospitals, on	2,000	
Sanitary Commissioner on	1,200 to 1,800	
Deputy Sanitary Commissioner on	700	

for which might be adequately substituted—

	R	R
One Inspector-General on	2,000	
One Deputy Inspector General on	700 or 1,000.	

102. In the district staff, the provision of uncoovenanted medical officers has been made to the full extent, some districts in fact being officered by Assistant Surgeons. In only one, Delhi, is the Civil Surgeon allowed an Assistant. There does not appear to be more Government work at Delhi than in many other large Civil Stations, and it appears to us that if a Civil Surgeon, in consequence of his having an especially large field for private practice, finds that he requires an Assistant to enable him to discharge his public duties, the charge for the Assistant should fall upon him, not on Government. One or two local allowances are given for attendance upon educational institutions, viz., Rs50 a month in respect of the Government College, Lahore, and Rs10 for the Zillah School at Delhi, the necessity of which is not apparent. Nor have we received any explanation of the occasion of the supply of Rs6,000 worth of medicines to Civil Surgeons, at the cost of Government.

103. The questions raised under the head of Medical Establishment are not for the present taken as diminishing the estimate of future expenditure.

104. Hospitals and dispensaries are mostly supported from Local or Municipal Funds, the charges being respectively 44 Provincial, 1,68 Local and 1,81 Municipal. Half of the Provincial charge represents Police hospitals, and the other half a few hospitals, or grants to hospitals, which for special reasons are not entirely supported by Local

The Future Provincial Contract with the Punjab.

Political. Scientific and Minor Departments.

bodies. The Government has power to declare a certain percentage of Local or Municipal income appropriable to medical relief, and the rules also prescribe a certain standard of private subscription.

105. Measures have been taken to stop a few irregular grants of allowances to medical officers attached to hospitals.

106. The Vaccination work was superintended by two Deputy Sanitary Commissioners and by two Native Superintendents paid from Provincial funds. Since the date of the Budget Estimate, however, an economy of R10,800 has been secured by reducing the number of Deputy Sanitary Commissioners and of Native Superintendents each to one. The Civil Surgeons are charged with the oversight of Vaccination. All but a few of the vaccinators are charged to Local.

107. The Lahore Medical School cost about R67,000 in 1885-86, and is estimated to cost R86,300 in 1886-87, as its teaching has recently been further developed. Its staff is five Professors, and at the date of the last report there were 188 students. It affords the only higher medical education available in Northern India, and draws students from the North-Western Provinces as well as from the Punjab. It is partly contributed to from Local and Municipal Funds. No fees are at present charged to students, though the question of charging them is under consideration.

108. There are two Lunatic Asylums, one at Lahore and one at Delhi. The Superintendents are, as usual, the Civil Medical Officers, with an allowance for the duty; but at Lahore there is also a Deputy Superintendent (*viz.*, an Assistant Surgeon on R250 with a special allowance of R20). This officer is an addition to the usual staff of such Institutions and the necessity of his retention is being considered by the Local Government.

109. By the law in force in the Punjab, District Funds and Municipalities are chargeable with the cost of maintaining pauper lunatics received from their several jurisdictions. The Lunatic Asylum receipts are accordingly nearly R30,000 against a charge of R37,000.

POLITICAL.

110. The miscellaneous Political charges, which are very heavy in the Punjab, are, like other Political charges, Imperial; but the question was raised whether the miscellaneous Political charges of Deputy Commissioners might not well be provincialised. The Lieutenant-Governor is opposed to this and states that he will give his reasons if asked. (a)

SCIENTIFIC AND MINOR DEPARTMENTS.

111. *Expenditure*, 95.—The charges appearing under this head for a Model Farm (Bruceabad) and for Public Exhibitions and Fairs are more than covered by receipts. The expenditure on Botanical Gardens in the Provincial Account is mostly a grant to the Agri-Horticultural Society, and in the Local account covers the charges of arboriculture. The charges on account of the Agricultural Department, include about R5,000 on account of cattle-disease, and about R3,000 for experiments

(a) Our separate recommendations on this subject will be found in Section C, Chapter IX of Volume II.

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Superannuations. Stationery and Printing.

About R9,000 is paid by the Government for the maintenance of a Veterinary School, and an equal amount by Local bodies as scholarships for students sent to it, the expenditure being partly recovered by payments received for horses treated and for medicines sold.

112. The other charges under this head are comparatively small.

SUPERANNUATION ALLOWANCES AND PENSIONS.

113. The expenditure provided in the Budget Estimate is 6,01, being an increase of 13 over the actual expenditure for 1884-85. Allowing for another year's increase, the probable estimate for the date on which the new Contract would begin would be about 6,16. Receipts have been taken for 1885-86 and 1886-87 at 30, which is smaller than any recent actuals by at least 5. We understood that the Provincial Government would prefer that Superannuations should be transferred to the Imperial Account, on the ground of the large increase which, as they expect, will take place in the next few years. (a)

STATIONERY AND PRINTING.

114. *Expenditure*, 4,17.—The largest items in this are for the supply of paper; R1,20,000, being the estimated cost of country paper for vernacular records, which is manufactured in and obtained from the jails; and R85,000, that of paper for English correspondence and records, obtained from the Superintendent of Stationery.

115. Returns of the cost of stationery received from the Superintendent are submitted by him to the Government, but it does not appear that they are used by, or communicated to, the departmental officers who pass the indents; nor does any return of the consumption of country paper appear to be made. The increase of cost from 1,75 in 1881-82 to just over 2,00 now appears, however, to be justified by the increase in the number of officers and of work.

116. The charges for Printing are chiefly 1,23 for the Secretariat Press, and 50 for printing lithographed forms at the jail. The former of these charges include an allowance for the purchase of stock and of materials, in which the expenditure is estimated to exceed the usual amount by about R10,000, besides a considerable excess under Miscellaneous. The establishment has recently been increased by a Deputy Superintendent, the necessity for whom, in addition to a Superintendent, is not very clear. It is explained that the appointment is required, because the Government have a branch press at Simla, but, ever since the appointment was made, the branch press has been managed by a "Reader" on R150 a month.

117. In 1881-82 the Printing Expenditure fell under the following heads: (1) Secretariat Presses, (2) Jail Press, (3) Lithography, (4) Printing by private presses. The Jail presses were closed in 1884, and contract arrangements made with two local firms. The Jail labour is now employed only upon lithography,—that is, preparation of lithographed forms. The Punjab Government have made, and shown us, a calculation showing that the cost of printing under the system now adopted, is about the same as under the system of 1881-82.

(a) The Government of India in their letter of July 26 suggested this course, but we have held, here (*vide* paragraphs 139 and 140) and in other Provinces, that it is desirable that this head should remain either wholly or partly Provincial, in order that the interest of the Local Government may be enlisted on the side of keeping down the expenditure as far as possible.

The Future Provincial Contract with the Punjab.

Miscellaneous. Transfers between Provincial and Local.

118. The supply of forms to, and the printing for, the various Departments is arranged for by a system, which passes up all demands to heads of Departments, and enables them to indent through the Press Superintendent. The private presses apparently receive orders in this way only.

MISCELLANEOUS.

119. The figures under this head are necessarily somewhat variable, but as recent years exhibit no very great variations we calculate as follows:—

	Revenue.	Expenditure.
1882-83	1,63	69
1883-84	1,60	84
1884-85	1,40	64
1885-86, Revised	1,80	72 (a)
	<u>6,43</u>	<u>289</u>
Average	<u>1,61</u>	<u>72</u>

There seems no reason to anticipate any falling off from this standard on the receipt side. The Punjab Government would place the estimate lower, though admitting that their figure may be exceeded. On the expenditure side they demand to have a reserve over and above the estimated figures, but as we have provided in our estimate for all expenditure, which a careful review of past years shows to require provision, we do not see why any excess should be allowed, the specific appropriation of which cannot be stated.

TRANSFERS BETWEEN PROVINCIAL AND LOCAL.

120. The Government of the Punjab treats its Local Funds in somewhat the same way that Imperial and Provincial arrange their mutual transfers; that is to say, revenue and expenditure are occasionally transferred from the one to the other, with an adjustment of contribution such as to preserve the relative financial condition of each.

Adjustments in Budget of 1886-87. 121. The amount of this adjustment at the time of the preparation of the Budget Estimate of 1886-87 was as follows:—

	Due by Provincial to Local.	Due by Local to Provincial.
Original contribution of 20 per cent. . . . .	...	2,80
For expenditure transferred to Local—		
Certain Public Works	1,01	...
Primary Schools	7	...
Vaccination and Vital Statistics	36	...
Scholarships in High Schools	18	...
For net revenue transferred to Local—		
Cattle Fairs . . . . .	...	22
TOTAL	1,62	3,02
NET . . . . .	..	1,40

The actual figure shown in the Estimates of 1886-87 was 1,90; the difference is not explained, but apparently arose from some arrears being due.

(a) The figure of the estimate is really 1,08, but this includes a reserve under "Miscellaneous and unforeseen charges," where the estimate is 46, although the expenditure of the three last closed years averages less than 5. It does not seem necessary to take more than 10 as representing actual expenditure.

The Future Provincial Contract with the Punjab.

Public Works.

122. Since the Budget was prepared the following income and expenditure, included in the Budget as Provincial, has been transferred to District Boards :—

	Income.	Expenditure.
Nazul	8	2
Ferries	1,47	13
Dāk Bungalows	4	6
Cattle-pounds	45	16
	<hr/>	<hr/>
TOTAL	2,04	38
	<hr/>	<hr/>
NET	1,66	...
	<hr/>	<hr/>

The Government giving up 10 out of this amount, required the Local Funds to pay to it only 1,56. But as we have taken the revenue and expenditure, in our estimates, under the heads to which they belong, we have to fix the contribution at the standard at which it stood before this transfer; and have therefore taken 1,40 only.

PUBLIC WORKS.

RAILWAYS.

123. The receipts and expenditure of the Amritsar-Pathankot Railway are stated *pro forma* only as the Railway has ceased to be Provincial.

IRRIGATION.

124. The Local Government accept an estimate of 44 on the receipt side, but want 19 instead of 16 on the expenditure side.

CIVIL WORKS.

125. *Receipts 5,70.*—The objection is made to this estimate that it includes considerable receipts by sale of old houses and lands, being Nazul property, and that this property is now getting exhausted so that the receipts from it will fall off. The actual realisations on this account in the previous years up to 1885-86 have been as follows :—

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.
Sales of Nazul property	17	23	50	43	76
Other Receipts	6,33	6,02	5,63	5,42	5,02
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL	6,50	6,25	6,13	5,85	5,78

The steady diminution of receipts is explained by the falling off of toll and ferry collections arising from the extension of railways.

126. Five lakhs may be taken as the present standard, after allowing for all falling off in sale receipts. Some of these receipts have, since the date of the Budget, been transferred to Local (*vide* paragraph 122).

The Future Provincial Contract with the Punjab.

Public Works.

127. *Expenditure.*—The Punjab Government state the ordinary requirements of the Province at about 27 lakhs, but as one lakh of this is already provided under the adjustment with District Boards, there remain 26 lakhs only as the estimate of necessary expenditure. An examination of the figures of recent years enables us to divide this amount, very nearly as the Budget Estimates divide it, into—

	Average, 1881-82 to 1884-85.	Budget of 1886-87.	Present Demand.
Original Works	8,33	8,58	7,90
Repairs	13,32	12,53	12,50
Establishment	5,91	5,82	6,00
Civil Officers (mostly Ferry collection charges)	39	40	40
Other charges	—7	20	20
TOTAL	27,88	27,53	27,00
DEDUCT —Transferred to Local Funds (understood to be repairs)			1,00
NET . . . . .	...	...	26,00

128. Thus the 27 lakhs include an obligatory expenditure of 19,10 (against a past average of 19,55) and an expenditure on original works of 7,90 (against a past average of 8,33). Of the 19,10 of obligatory expenditure, 1,00 is now transferred to Local Funds, and provided for in paragraph 121. As regards the 7,90 Original Works, the position of the Punjab Government, as already explained (*vide* paragraph 3), is that they cannot obtain their full demand, unless they get some addition to their present assignment. The figures in the attached statements A and B show that the amount remaining for their Public Works, after all other services have been provided for, is 23,33, against their demand of 26,00. In other words, supposing that the whole of the necessary reduction of expenditure is made under the head of Original Works, they must reduce the 7,90 to 5,23.

129. The Punjab Government has furnished us with a detailed list of original Provincial Civil Works sanctioned and proposed. The works are separated into two classes—(1) Urgent and (2) ordinary. A further statement shows that Rs 1,79,000 will be needed after the 31st March 1887 to complete original Civil Works now in progress. The original works are classified as under:—

	Urgent.	Ordinary.	Total.
	R	R	R
Buildings	13,86,900	39,80,400	53,67,300
Communications	6,98,800	13,40,700	20,39,500
TOTAL	20,85,700	53,21,100	74,06,800

Adding the amount needed to complete works in progress, the total demand for new works amounts to Rs 75,85,800.

The Future Provincial Contract with the Punjab.

Public Works.

Detail of original works
proposed, but not begun.
ments :—

130. The demand for original works not yet commenced is shown in detail in the following statements :—

COMMUNICATIONS.

	Urgent.	Ordinary.	Total.
	R	R	R
Metalled Roads—			
Link Roads connecting Grand Trunk Road with			
Railway	1,00,000	...	...
Restoration of Grand Trunk Road . . . . .	...	2,00,000	...
Other Works	61,800	66,000	...
TOTAL	1,61,800	2,66,000	4,27,800
Unmetalled Roads—			
Widening Road between Sanjauli and Mushobra	20,000	...	...
Pathankot to Lunse	25,000	...	...
Other Urgent Works	19,000	...	...
Simla to Suni . . . . .	...	2,00,000	...
Sanjauli to Kotgarh . . . . .	...	1,03,600	...
Dera Ghazi Khan and Rajanpur . . . . .	...	51,500	...
Dera Ismail Khan and Tonk . . . . .	...	30,000	...
Other Works . . . . .	...	86,000	...
TOTAL	64,000	4,71,100	5,35,100
Bridges—			
On Kangra Valley Cart Road	4,50,000	...	...
Other Urgent	23,000	...	...
Grand Trunk Road, Tangri Nadi . . . . .	...	75,000	...
Do. do., Umla . . . . .	...	1,50,000	...
Do. do., others . . . . .	...	50,800	...
Other Works . . . . .	...	35,000	...
TOTAL	4,73,000	2,00,800	7,63,800
Boat Bridges—			
Over Sutlej at Mauzan . . . . .	...	50,000	...
Second Treadle Boat at Dera Ghazi Khan . . . . .	...	20,000	...
New articles of Bridge Equipment everywhere . . . . .	...	1,50,000	...
TOTAL . . . . .	...	2,20,000	2,20,000
Accommodation for Travellers—			
Dak Bungalows . . . . .	...	60,800	60,800
Miscellaneous—			
Metalling Station Roads at Montgomery . . . . .	...	3,000	...
Minor Works . . . . .	...	20,000	...
TOTAL . . . . .	...	23,000	23,000
GRAND TOTAL OF COMMUNICATIONS	6,98,800	13,40,700	20,39,500

The Future Provincial Contract with the Punjab.

Public Works.

BUILDINGS.

Head of Classification.	Detailed Heads.	PARTICULAR WORKS.		TOTAL OF DETAILED HEADS.		GRAND TOTAL.
		Name.	Amount.	Urgent.	Ordinary.	
LAND REVENUE.	District Offices . .	Umballa (New) . .	R 1,50,000	R . . .	R . . .	R . . .
		Delhi (additions) . .	50,000	...	...	...
		Others	85,000	...	2,85,000	2,85,000
	Treasury Buildings . .	.....	...	24,000	10,000	34,000
	Tehsil Buildings . . .	.....	...	1,28,700	4,28,400	5,57,100
	Circuit Houses . . .	.....	...	...	27,000	27,000
	Minor Works . . . . .	.....	...	...	1,00,000	1,00,000
	TOTAL . . . . .	.....	...	1,52,700	8,50,400	10,03,100
EXCISE	Distillery Buildings . .	.....	...	6,000	34,400	40,400
SECRETARIAT	Secretariat	Servants' houses . .	4,000	...	...	...
		Minor Works	50,000	...	54,000	54,000
MONUMENTS AND ANTIQUITIES.	Museums	Lahore	3,00,000	...	3,00,000	3,00,000
	Monuments	Gujrat Battlefield . .	10,000	...	...	...
		Restoration of historical, &c. .	1,50,000	...	...	...
		Minor Works	20,000	...	1,80,000	1,80,000
	TOTAL . . . . .	.....	...	...	4,80,000	4,80,000
LAW AND JUSTICE.	Divisional and District Judges' Courts, Sub-Judges' and Munsifs' Courts. . .	.....	...	82,800	74,700	1,57,500
	Minor Works . . . . .	.....	...	40,000	1,10,700	1,50,700
		.....	...	...	50,000	50,000
	TOTAL . . . . .	.....	...	1,22,800	2,35,400	3,58,200
ECCLESIASTICAL	Churches	Remodelling Ludhiana Church. .	6,000	...	6,000	6,000
	Cemeteries	Extension at Murree . .	5,000	...	5,000	5,000
	Minor Works . . . . .	.....	...	...	30,000	30,000
	TOTAL . . . . .	.....	...	...	41,000	41,000
JAILS	New Jails	Amritsar	6,60,000	6,60,000	...	...
		Mooltan	12,00,000	...	...	...
		Kohat	40,000	...	12,40,000	19,00,000
	Other works	Lahore (60 Solitary Cells and Juvenile Workshop). .	26,300	...	...	...
		Other Works . . . . .	...	1,49,300	3,19,600	4,68,900
	TOTAL . . . . .	.....	...	8,09,300	15,59,600	23,68,900
POLICE	Police Stations . . . .	.....	...	1,06,700	2,49,300	3,56,000
	Rest-houses . . . . .	.....	...	8,000	60,300	68,300
	Quarters, Barracks, &c. .	.....	...	25,700	14,500	40,200
	Police Hospitals . . . .	.....	...	13,600	...	13,600
	Police Office . . . . .	.....	...	6,000	...	6,000
	Minor Works . . . . .	.....	...	...	1,02,600	1,02,600
	TOTAL . . . . .	.....	...	1,60,000	4,26,700	5,86,700
EDUCATIONAL	Schools	Sanawar (including Boys' and Girls' Schools). .	1,21,100	58,100	63,000	1,21,100
		Laboratory, Lahore College. .	7,000	7,000	...	7,000
		Other Works . . . . .	...	...	20,000	20,000
	TOTAL . . . . .	.....	...	65,100	83,000	1,48,100
		Carried forward . . .	...	13,15,000	37,64,500	50,80,400

The Future Provincial Contract with the Punjab.

Adjustments.

BUILDINGS—continued.

Head of Classification.	Detailed Heads.	PARTICULAR WORKS.		TOTAL OF DETAILED HEADS.		GRAND TOTAL.
		Name.	Amount.	Urgent.	Ordinary.	
		Brought over	Rs ...	Rs 13,15,900	Rs 37,61,500	Rs 50,80,400
MEDICAL . . .	Colleges . . .	Lahore (Dissecting Room)	16,300	16,300	...	16,300
	Hospitals . . .	Lahore (Lying-in and Veterinary).	25,000	25,000	...	...
		Mayo Hospital (European Ward.)	70,000	...	70,000	95,000
	Minor Works . . .	.....	...	10,000	20,000	30,000
	TOTAL . . .	.....	...	61,300	90,000	1,41,300
MISCELLANEOUS .	Rest-houses, &c. . .	.....	...	19,700	95,900	1,15,600
	Minor Works . . .	.....	...	...	30,000	30,000
	TOTAL . . .	.....	...	19,700	1,25,900	1,45,600
GRAND TOTAL OF BUILDINGS . . .			...	13,86,900	39,80,400	53,67,300

131. The Punjab Government states that these lists will be forwarded to all Heads of Departments and others concerned for careful revision and re-classification.

Lists to be revised.

132. The proposed outlay on Civil Buildings is large, and while many works are put forward for construction, which might well be undertaken, if funds are forthcoming, there are works included in the lists, which should apparently be considered only when the finances of the Province are in a flourishing condition.

Proposed outlay on buildings in excess of available funds.

133. The construction of a Jail at Mooltan at a cost of twelve lakhs and of another at Amritsar for Rs 6,60,000; the erection of a Museum to cost three lakhs, and an outlay of $1\frac{1}{2}$ lakhs in the restoration of buildings of historical and architectural interest, are doubtless conceived in a liberal spirit, but such outlay does not appear to be in place at a time when rigid economy is necessary. The contemplated outlay of 10 lakhs on Land Revenue Buildings, of $3\frac{1}{2}$ lakhs on Court-houses and of nearly 6 lakhs on Police Buildings could probably be considerably reduced by adopting a less expensive style of building, which would, nevertheless, meet all the requirements of the present and coming generations.

134. Again, under the head Communications, the expenditure of two lakhs on a road from Simla to Suni and of $1\frac{1}{4}$ lakhs on the improvement of the Mushobra and Thibet roads should not, in our opinion, be incurred in days of retrenchment.

135. The construction of Railway feeders and the Kangra Valley bridge, and the necessary outlay to place the grand trunk road in an efficient state, are, however, of great importance, and should be carried out as soon as funds will permit.

136. It is, however, clear that it is not possible to make provision for an outlay during the next five years at all approaching to the demand made by the Government of the Punjab.

ADJUSTMENTS.

137. The Budget Estimates provide for the transfer to Provincial of—

- (1) Rs 3,04,000 on account of special assignments, namely, for Judicial reorganisation 2,27, for Kanungos 67, and for Government Advocate 10. We show these assignments separately in our estimate for the future for the sake of comparison, though they

The Future Provincial Contract with the Punjab.

Conclusion.

will be merged in the general assignment which, under the new system, will be needed to bring the Provincial account into equilibrium (*vide* paragraph 139).

- (2) R70,000 on account of the Provincial half-share of duty levied in the North-Western Provinces upon Sháhjahánpur Rum imported into the Punjab. The average for 1884-85 and 1885-86 was 73, which is taken as the future estimate.
- (3) R33,000 on account of certain items, of which the classification, as between Imperial and Provincial, was altered after 1882, which we treat in the same way as case (1).
- (4) R73,000, interprovincial adjustment on account of expenditure borne by the Punjab on account of other Provinces. This will come in, in future, in adjustment of expenditure actually borne by the Province, but not included in its Provincial Contract; but as such expenditure is *ex hypothesi* outside the figures of our estimate for the future, the adjusting compensations are also equally omitted.

CONCLUSION.

138. The future Provincial account of the Punjab will upon these estimates stand as follows, if no alteration is made in the system of division of the revenue and expenditure:—

Revenues and expenditure equal.									
									R
Revenue	.	:	:	:	:	:	:	:	1,57,48
Expenditure	.	:	:	:	:	:	:	:	1,57,48

That is to say, the existing assignment of revenues is neither increased nor diminished, and the Punjab Government is in financial equilibrium.

139. We have, however, received instructions in Financial Department letter No. 2187, dated 26th July 1886, that certain alterations of distribution are intended; and these, so far as they relate to the Punjab, we work out in the final column of the annexed statements. The mere redistribution is not intended either to improve on or to diminish from the state of financial equilibrium, in which the Provincial Government is left upon the estimates already made; and as we find that the assigned revenues under the new distribution come to 1,23,44 and the assigned expenditure to 1,52,45, it is necessary to provide for a transfer of 29,01 from Imperial to Provincial in order to balance the account.

140. It is to be noted, with reference to the letter just quoted, that the head of Superannuation is left in the Provincial account because we have decided to recommend to the Government of India to retain it in the Provincial Contracts.

141. The general result of our proposals is to reduce the expenditure on Civil Works, which will, however, be left at a higher figure than it stood at before 1882. We consider that the Punjab Government should, for any contemplated improvements in administration, look to better development of its revenue, more especially the Land Revenue and Excise, and not to further assistance from the Imperial exchequer.

POONA,
The 10th September 1886

The Future Provincial Contract with the Punjab.

B.—STATEMENT OF EXPENDITURE.

	BUDGET ESTIMATE OF 1886-87.		ESTIMATES NOW ADOPTED.		
	Total.	Provincial share.	Total.	Provincial share as at present.	Provincial share as proposed.
1	2	3	4	5	6
Civil Heads.					
Refunds—Land Revenue	50	20	56	22	14
Divided Heads	54	26	60	30	38
Land Revenue—Survey and Settlement	6,06	2,46	5,20	2,12	1,30
Collectors and Establish- ments	17,98	17,98	17,98	17,98	17,98
Other charges	37	37	37	37	37
Stamps	1,34	67	1,34	67	1,01
Excise	1,38	69	58	29	14
Provincial Rates	1,45	1,45	1,45	1,45	1,45
Assessed Taxes	25	1	2	1	1
Forests	6,60	3,30	6,55	3,28	3,28
Registration	98	49	98	49	49
TOTAL REVENUE HEADS	37,45	27,88	35,63	27,18	26,55
Administration (except Account Office)	9,70	9,70	9,51	9,51	9,51
Law and Justice, Courts	27,89	27,89	27,47	27,47	27,47
Do., Jails	8,57	8,57	8,36	8,36	8,36
Police	33,52	31,13	33,36	30,97	30,97
Education	8,78	8,78	8,03	8,03	8,03
Medical	5,74	5,74	5,63	5,63	5,63
Scientific and Minor Departments (Pro- vincial)	95	95	95	95	95
TOTAL CIVIL DEPARTMENTS	95,15	92,76	93,31	90,92	90,92
Superannuations (Provincial)	6,01	6,01	6,16	6,16	6,16
Stationery	4,17	4,17	4,17	4,17	4,17
Miscellaneous (Provincial)	1,56	1,56	72	72	72
TOTAL MISCELLANEOUS	11,74	11,74	11,05	11,05	11,05
Post Office	72	72	41	41	41
Total Civil Heads	1,45,06	1,33,10	1,40,40	1,29,56	1,28,93
Public Works.					
Railways—Working expenses	2,40	2,40	2,40	2,40	...
Interest	2,00	2,00	2,00	2,00	...
Irrigation—Minor Works	16	16	19	19	19
Civil Works—					
Original Works	8,58	8,58	5,23	5,23	5,23
Repairs	12,53	12,53	11,50	11,50	11,50
Establishment	5,82	5,82	6,00	6,00	6,00
Civil Officers	40	40	40	40	40
Tools and Plant, &c.	20	20	20	20	20
TOTAL CIVIL WORKS	27,53	27,53	23,33	23,33	23,33
Total Public Works	32,09	32,09	27,92	27,92	23,52
GRAND TOTAL OF EXPENDITURE	1,77,15	1,65,19	1,68,32	1,57,48	1,52,45

The Future Provincial Contract with the North-Western Provinces and Oudh.

Preliminary.

CHAPTER IV.

THE FUTURE PROVINCIAL CONTRACT WITH THE NORTH-WESTERN PROVINCES AND OUDH.

[Figures entered thus,—2,08—without designation, mean thousands of Rupees.]

PRELIMINARY.

The history of the working of the Contract which expires with the current year is told at length in the Note which is reprinted as Appendix No. II to this volume. An abstract of the figures contained in that Appendix is given in the following table:—

Statement of Provincial Revenue and Expenditure in the North-Western Provinces and Oudh from 1882-83 to 1886-87.

		REVENUE.					EXPENDITURE.				
		CIVIL.		PUBLIC WORKS.		TOTAL.			PUBLIC WORKS.		TOTAL.
		Principal Revenue Heads.	Other Departments.	Ordinary.	Railways and Irrigation, &c., Net		Civil.	Ordinary.	Interest on Railway and Irrigation, &c., Capital.	Capital Expenditure.	
		1	2	3	4	5	6	7	8	9	10
Average	Assignment	2,27,94	19,24	9,44	28,90	2,85,52	2,24,90	29,33	26,12	...	2,80,35
1882-83		2,32,43	18,22	12,74	35,05	2,98,44	2,14,81	31,72	26,48	33,67	3,06,68
1883-84		2,40,87	21,27	10,51	35,56	3,08,21	2,28,09	40,82	26,67	48,40	3,43,98
1884-85		2,39,47	17,39	8,89	41,73	3,07,48	2,32,95	36,36	27,25	17,82	3,14,38
1885-86 (Revised)		2,39,94	17,34	9,65	22,56	2,89,49	2,34,67	34,63	27,00	17,19	3,13,49
1886-87 (Budget)		2,41,03	18,40	9,00	24,43	2,92,86	2,37,61	34,17	27,52	12,19	3,11,49
Total of the five years		11,93,74	92,62	50,79	1,59,33	14,96,48	11,48,13	1,77,70	1,34,92	1,29,27	15,90,02
Five times average Assignment		11,39,70	96,20	47,20	1,44,50	14,27,60	11,24,50	1,46,65	1,30,60	...	14,01,75

N.B.—For an explanation of the method by which the above figures are arrived at, see paragraph 10 of Chapter II, page 14.

There has been a large increase in the revenue-producing heads, amounting to 54 lakhs, which chiefly accrued under Stamps and Excise. Land Revenue showed hardly any growth, as no Settlements fell in during the period. The net income from Railways and Canals also exceeded the assignment by 15 lakhs, though it fell off greatly in the two last years. The expenditure side shows a still greater increase, amounting to 188 lakhs, of which 129 were laid out on the construction of new Railways and Canals. The growth of expenditure on the Civil Departments was comparatively small, hardly 24 lakhs, but this was partly due to a transfer of some of that expenditure to "Local." Ordinary Public Works increased by 31 lakhs. The total expenditure of the five years exceeded the total revenue by 93 lakhs, and this deficit was met by drawing on the large Provincial balances, which in 1882 were 113 lakhs and have now been reduced to 20 lakhs.

The Future Provincial Contract with the North-Western Provinces and Oudh.

Preliminary.

2. In our discussions with the Lieutenant-Governor we have taken the Budget figures of 1886-87 for the most part as the basis

Basis of Contract.

of our calculations, making some slight alterations in some items, either on the principle of following the average of past year's actuals, where the item is a fluctuating one, or else reducing the figure, where provision has been made for some non-recurring receipt or expenditure, which appears for special reasons in the estimates of 1886-87. These exceptions are all specified, and they are, we understand, not objected to by the Lieutenant-Governor. The result of these calculations is that, arranging the Budget so as to produce equilibrium, and not to leave an annual surplus of receipts over expenditure, the Provincial revenue can give up Rs12,65,000, or in round numbers 12 $\frac{3}{4}$ lakhs to the Imperial revenue.

Gain to Imperial by new Contract.

3. This result is reached on the supposition that the basis of the Contract remains unaltered, and that the Province takes the same share in the same sources of revenue and expenditure under the new as it has done under the current Contract. This however will not be the case; as the recent orders of the Government of India have altered the existing arrangements as to some of the divided heads; and two Railway lines, the Cawnpore-Ahmednagar and the Dildarnagar-Ghazipur, will be removed from the Provincial Contract. The figures of the future Contract worked out on this basis are shown in the last columns of the appended Statements A and B.

Circumstances likely to affect gain to Imperial by new Contract.

4. The calculation that the Province is able to surrender 12 $\frac{3}{4}$ lakhs of revenue is further subject to the following modifications:—

- (1) Where the Revised Estimate of 1886-87 brings out a different figure from the Budget Estimate, the former will in most cases be taken.
- (2) If the reductions in expenditure, or any of them, which we have proposed, but of which we have not taken account, are accepted, a corresponding reduction will be made from the lump grant on the Receipt side.
- (3) The Lieutenant-Governor has three considerable administrative changes under his consideration or under that of the Government of India—
 - (i) The creation of a Legislative Council.(a)
 - (ii) The creation of a University at Allahabad.
 - (iii) The establishment of a Bench of the High Court at Lucknow, in lieu of the present Judicial Commissioner.

Each of these will entail some increase of expenditure, though probably not a large increase. The correspondence regarding them is not before us, nor is it within our functions to pronounce any opinion on their advisability; but if the Government of India consider it necessary to carry out these proposals, we presume that the requisite increase of expenditure will be provided for in the Contract in addition to the provision we have made for existing expenditure.

- (4) A special modification of the Contract, to last for three years, is necessitated, as explained in paragraphs 65 to 70, by the downfall of the Nadrai Aqueduct on the Lower Ganges Canal.

(a) This proposal has been carried out since the above was written.

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Land Revenue.

LAND REVENUE

5. *Revenue*.—The estimate of revenue for 1882-83 (including the portion due to irrigation) was 572 lakhs, besides $4\frac{1}{2}$ lakhs purely Provincial; total 576½ lakhs. The figures of the four years, 1880-84, give about the same actual revenue. But since that period, the revenue has increased and the Budget for 1886-87 gives 5,74,11 divisible, and 5,66 purely Provincial. We take the figures at 5,74,00 and 5,70 respectively. With regard to the future increase of Land Revenue arising from re-settlements, we have received the following forecast:—

DISTRICT.	Date of expiry of Settlement.	Present revenue.	Estimated revenue after re-settlement.	Increase.
Gorakhpur	1891 .	17,16	23,16	6,00
Basti	1891 .	13,23	17,18	3,95
Jalaun	1887 .	9,20	10,20	1,00
Bulandshahr	1889-90 .	12,30	16,72	4,33
Muzaffarnagar	1891 .	12,19	14,59	2,40
Sahāranpur	1890 .	11,75	13,73	1,98
Total Increase .				19,66

The increase will hardly be felt in the first two years of the Contract, but it will be large in the last two.

6. *Survey and Settlement Expenditure*.—The Budget of 1886-87 provides Progress of re-settlement operations. R2,60,000 for Survey and R7,45,000 for Settlement. Of the latter sum, R3,50,000 is the charge for the two Cadastral surveys in Gorakhpur and Basti, including what is locally known as the “Khanapuri” or the cost of the preparation of the Settlement Record, which is done by special establishments working with the Survey Parties. This work will probably be completed in 1889, and it is believed that it will not be necessary to re-survey the districts to be re-settled afterwards, *viz.*, Bulandshahr, Muzaffarnagar, Sahāranpur and Jhansi, but that the re-settlement can be carried out on a cheaper system through the improved Patwaris’ records. This will entail a considerable decrease in the cost after 1889. On the other hand, there will be some fresh expenditure on Settlement in those districts, as special officers will have to be appointed to examine the Patwaris’ records and to prepare the revised assessments based thereon. We have not therefore thought it necessary to estimate the relief, which the Province will receive from reduced expenditure under this head; but it is right to point out that there will be both an increase in revenue and a diminution of expenditure in the later years of the Contract.

7. The actual expenditure on Settlement and Survey was 7,27 in 1883-84 and 9,00 in 1884-85. The Revised Estimate of 1885-86 was 9,10, and the Budget Estimate for 1886-87 is 10,05. Expenditure should be reduced, but settlement work not curtailed. Allotment should not be diverted to other purposes. Considering how remunerative this work is, through the increase of Land Revenue it brings about, we do not think it should be curtailed unless the Government of India is absolutely unable to provide the money requisite to carry it on, three-quarters of which will in future be an Imperial charge: but the employment of an improved agency of Patwaris should lead to a reduction of the cost of settlement. Whatever

The Future Provincial Contract with the North Western Provinces and Oudh.

Land Revenue.

sum is granted when the settlement programme is finally prepared, it should perhaps be understood that the Provincial Government is bound to arrange for the expenditure of that amount, and is not authorised to divert to other channels the allotment made for this object.

8. *Collectors' and Deputy Commissioners' Establishments.*—There has been an increase in the expenditure on Deputy Collectors, Extra Assistants, and Tahsildars. The fixed establishment of Deputy Collectors and Extra Assistants was 1,07 in 1882-83, costing 4,47'6; in 1884-85 it was 1,08, costing 5,21'4. One Deputy Collector at R500 has been added for the Bhabar estate, but the chief cause of the increase is the enhanced scale of salaries laid down by the Government of India. Besides this, the Lieutenant-Governor has power to increase the number of men in the lowest grade on R250; and on the 1st of July 1885 there were, in addition to the fixed establishment, eighteen men employed on Settlement work, three on land acquisition, three in estates under the Court of Wards, three on special duty as Personal Assistants to the Director of Agriculture and to the Commissioner of Benares, and on inspection of village records in Oudh, and twenty-three to fill up temporary vacancies caused by leave and furlough. The Estimates of 1886-87 appear however to be unduly high, the full pay of the establishment having been budgeted for without allowance for lapses, and there will probably be a reduction in the Revised Estimate.

9. Under the head of Government Estates the cost of management in the Terai, Bhabar, and Dndhi Estates appears to have increased, but we understand that this is principally due to a re-arrangement of the accounts, which formerly were irregularly kept in a personal ledger, so that the unspent balances of the year were retained and carried on. Under recent orders of the Local Government the income and the fixed expenditure of these estates are budgeted for, and instead of the whole surplus being made over to the local officers to be spent on improvements, there is a special improvement budget on which an allotment is made, the balance of the surplus going to benefit Provincial revenues. The greater part of the 2,10, contingencies, included under "Charges on account of Government Estates," represents a transfer of money to an improvement fund connected with these estates, part of which returns to Government as unspent surplus, under "Contributions from Local Fund." There has been some confusion in making up the estimates of these transactions, and we have requested the local authorities to re-examine the figures.

10. No sum was estimated for under the head of Charges for Encumbered Estates, Jhānsi, in the original Budget, but a supplementary estimate for R20,000 was sent up. This expenditure however will not recur, as the operations undertaken for buying up encumbered estates have been completed and the Special Judge's appointment has come to an end. The expenditure therefore need not be provided for in the future Contract.

11. Travelling allowances increased from 56 to 69 between 1880-81 and 1884-85. This is accounted for partly by the fact that under the new Code Collectors of the first grade, who formerly received no travelling allowance, draw R5 a day while in camp, and partly by the increased rate of travelling allowance (from R3 to R4 a day) allowed to Deputy Collectors on R500 and upwards.

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Stamps.

12. The charges on account of Village officers have been—in 1883-84, Village officers, chiefly 34,61; in 1884-85, 34,68; in 1885-86, (Revised) 34,35; Patwaris. and in 1886-87, (Budget) 34,95. We take the average figure, R34,68, for the future Contract.

Future aggregate Estimate
under Land Revenue.

13. We estimate the expenditure under this entire head for the future Contract as follows:—

Survey and Settlement	10,00	fixed grant.
Collectors' establishments	35,00	subject to alteration by Revised Estimate.
Management of Government estates	2,55	
Village officers	34,68	(average of past years).
Other charges	1,16	subject to Revised Estimate, except the item of Encumbered Estates, which is to be omitted.

TOTAL LAND REVENUE EXPENDITURE 83,39

STAMPS.

14. We have taken the Budget figures of 1886-87 as the basis of the Provincial Contract. The revenue has increased from 57,00 District Establishments. in 1881-82 to 62,50 in 1886-87, and the expenditure from 1,00 to 1,32. Of the increase of expenditure a part is due to the larger quantity of stamps sold and part to a revision of the district establishments which took place in December 1884. Stamp Moharrirs (vernacular clerks) had not been previously employed in Oudh, the work being done by the Deputy Commissioner's general establishment or by men employed by the Treasurer at his own expense. Under the revision the nine most important districts received two Moharrirs each at R25 and R15; eleven districts of the second class, two Moharrirs each at R20 and R10; and eighteen districts, one Moharrir each at R15. The Commissioner of Stamps told us that he did not think there could be work for two men at any district head office, especially if a proposal is accepted, which we propose to make, for simplifying the periodical returns of stamp transactions. The Lieutenant-Governor informed us that he must enquire further before he agreed to a reduction, but subject to this approval we recommend that the second Moharrir in twenty districts be abolished, effecting a saving of about R3,000. Excluding this reduction, we fix the expenditure figure for the future Contract at 1,32.

15. The system of the sale of stamps is that both kinds are sold by Treasurers and Tahsildars, both retail and to licensed or System of sale of stamps. salaried vendors, with no discount. Court-fees stamps are also sold by salaried vendors, who each receive R10 a month and get no discount. There are only about ten of these. Non-judicial stamps are sold by licensed vendors who receive discount at rates varying according to the value of the stamps. Trustworthy men, such as Postmasters, Patwaris, &c., may get the stamps on credit and receive usually 2 per cent. discount; when they pay cash, they get 5 per cent. at places where there is no *ex-officio* vendor, and 3 per cent. where there is one. No discount is given on stamps above R50 in value. We have no recommendations to make for the improvement of this system.

16. We have carefully considered whether we can propose a reduction of the appointment, or in the pay, of the Commissioner of Excise and Stamps (who is also Inspector-General of Registration), and have decided not to do so. The revenue involved is very large and has increased rapidly, and the business is

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Excise.

one which requires special knowledge as well as careful and constant inspection. We do not think it would be desirable to place it directly under the Board of Revenue, the Junior Member of which could not give to it the time and attention which it needs; and the necessity of a homogeneous system of operations makes it impossible to leave it entirely under the Collectors of districts. The relations between the Commissioner of Excise and Stamps and the Collectors of districts are such that he should be of at least equal standing with them, and therefore his salary must be approximately equal to theirs.

EXCISE.

17. *Revenue.*—The total revenue under this head has increased during the term of the Contract from 40,40 to 54,00; and the expenditure has fallen from 1,64 to 1,21. We have accepted the Budget figures of 1886-87 on both sides as the basis of the future Contract.

18. With regard to the revenue, we have two suggestions to make. Opium is sold from the Treasuries at R15 per seer, both to the treasurers and to licensed vendors who buy their licenses at auction. In 1884-85, 338½ maunds or about one-quarter of the whole amount was sold by treasurers, and for it the Government received only R15 per seer; while 924½ maunds or three-quarters of the whole amount were sold by licensed vendors who not only paid R15, per seer, but also paid about R1,20,000 annually, or R3·4 per seer, for their licenses. We see no reason why Government should lose this sum in the case of the quarter sold through treasurers, and we suggest either that the sale through treasurers be stopped or else that the rate of sale to them be raised to about R18.

19. A custom exists of showing the purchase rate of opium at R16 a seer and allowing a rupee as discount. We see no advantage in this, and recommend that the sale-price be shown in the accounts as R15, which is the actual figure. We are informed that there is a rule that it should be sold to medical officers at R16, but, practically speaking, none is sold in this way.

20. The still-head duty on spirits is R1 per gallon of whatever strength. It was R1-8 in the North-Western Provinces and 12 annas in Oudh, and was fixed at R1 for the sake of uniformity. The Commissioner (Mr. Wall) thinks it might be gradually raised, by small increments, to R1-8, and we think this suggestion should be considered by the Lieutenant-Governor.

21. *Expenditure.*—The reduction of expenditure is due to a diminution in the number of distilleries, of which there are now 75, and to the abolition of the departmental guards formerly employed. The establishment at a distillery is one Inspector at R25 and one Head Constable and three constables: but these latter are charged to Police, not to Excise, as the barkandazes were whom they have replaced.

22. There has also been a redistribution of the pay of the Commissioner and his establishment, which is now divided in a somewhat complicated way between Stamps, Excise, and Registration.

23. There are small Excise establishments in four Cantonments—Chakráta, Ránikhet, Jhánsi, and Allahabad. These are coming under reduction, and the effect will be a saving of about R1,200.

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Assessed Taxes. Forests. Registration.

ASSESSED TAXES.

24. There will be special charges on the Expenditure side during this year on account of the original assessment of the Income Tax, and Rs50,000 have been provided for in the Budget and in a Supplementary Estimate. The expenditure in future will not however greatly exceed that which was incurred in collecting the License Tax (Rs6,091 in 1884-85, Rs7,000 in the Revised Estimate, 1885-86), and it will probably be a sufficient provision if Rs10,000 are allowed for the collection of the Income Tax.

FORESTS.

25. The increase in revenue has been from 9,94 to 15,50, the Revised Estimate of 1885-86 being 16,00. We have accepted the Budget figure of 1886-87, though it is a little below that of the preceding year. The expenditure has risen from 9,14 to 9,25, but this figure is below the actual amount for 1883-84 and 1884-85, and below the Revised Estimate of 1885-86. We have therefore thought it better to raise the current figure provisionally to 9,75 subject to the results shown by the Revised Estimate of 1886-87.

26. In examining this head of account we have been at some disadvantage by reason of the facts that the Conservators of two Circles have lately taken furlough, and that the only Conservator present at Naini Tal has been officiating for a very short time only. But from our conference with him, and our examination of the Forest Budget, no suggestion for reduction of expenditure has arisen.

REGISTRATION.

27. Both the income and expenditure under this head stand exactly where they did at the last Contract. We have accepted the figures of the Budget of 1886-87. We understand that registration is much more popular in Oudh, where it is carried on by non-official Sub-Registrars, than in the North-Western Provinces, where they are all officials. The Lieutenant-Governor has recently sanctioned a new system for the appointment of non-official Sub-Registrars in the North-Western Provinces, which has not yet been brought into force. At present the Registrars are the District Judges, who have an establishment of one, two, or three Moharrirs, according to the quantity of work to be done. They inspect Sub-Registrars' offices, whenever they visit or pass them on their Sessions journeys, but the ordinary method of inspection is to call the Sub-Registrar up with his books and to examine them at headquarters. In the North-Western Provinces the Tahsildar is ordinarily the Sub-Registrar, receiving a salary of Rs25 or Rs50 according to the amount of the work; in a few Tahsils where the amount is very small, the salary is only Rs15 or Rs10. Each Sub-Registrar has from one to three Moharrirs. In ten Cantonments and four other out-of-the-way places there are non-official Sub-Registrars receiving half fees and providing their own establishments. The scheme sanctioned by the Lieutenant Governor is that special Sub-Registrars should be appointed to all the larger Tahsils (113 in number), receiving 15 per cent. of the fees, and a fixed salary of Rs30;

Budget figures accepted.
Proposed changes in the present system.

Number of Tahsildars.	Registration Allowance.
38	Rs 50
78	25
1	20
9	15
30	10

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General Administration.

but where the fees do not exceed R400 annually, or where the Tahsildar and his Moharrir together draw less than R30 (*i.e.*, in 43 cases), there is to be no change. The increase of cost is estimated at R24,500, but it is intended to introduce the system in such a way as to interfere as little as possible with the remuneration received by Tahsildars, till they are compensated for it by promotion. It is estimated, however, that the increase in receipts through the greater popularity of this system will cover the increased expenditure, and we have not therefore taken any account of this change in our Contract figures.

GENERAL ADMINISTRATION.

28. There has been an increase under the present Contract from 12,19 to 12,74. We adopt the Budget figures of 1886-87, subject to the two reductions below. They are lower than those of either 1883-84 or 1884-85.

Increase since 1882.

29. There has been an increase of R10,000 in "Office Expenses and Miscellaneous" under the Civil Secretariat since 1881-82, part of which is explained to be due to special non-recurring causes, such as the purchase of new furniture and the carriage of extra records. We think that R5,000 can be reduced from this sub-head.

Proposed reduction under Civil Secretariat.

30. The tour expenses, as at present shown in the accounts, include the expenditure of His Honour the Lieutenant-Governor both on his ordinary tours and on his journey to and from Naini Tal, and also those of the Civil Secretariat, but not of the Public Works Secretariat, the Branch Press, or the heads of Departments. We think the expenditure of the Lieutenant-Governor should be shown separately from that of the Civil Secretariat, as in the Punjab for example, and the cost of the hill journey separately from that of ordinary tours. With regard to the Naini Tal Allowance Code, we have received a letter from the Government of the North-Western Provinces assenting to a considerable reduction in the cost entailed (a reduction roughly estimated at R15,000 out of about R78,000), but intimating that the Lieutenant-Governor is not willing to adopt the plan of leaving the head-quarters office at Allahabad, and that he is not yet prepared to state definitely what rates of travelling allowance and other allowances he would agree to. On this subject we shall submit (a) a separate Note to the Government of India when we have received an intimation of their views as to the proposals we have made for reducing the Simla allowance rates.

Tour charges.

31. There is an item of R15,000 provided under the head of Section-writing in the Budget of the Board of Revenue, which is really expended on copying village, tahsili, and district maps for reproduction and sale. From the reply made to our question we gather that this work is being done slowly and expensively: sixteen men turn out thirty-two copies of the tahsili maps a year, or two apiece: and two men turn out one copy of a district map yearly. We suggest that it might be advantageous to place this work under the Survey Department, where it would probably be done more expeditiously and more cheaply. If the R15,000 is allowed to stand as a part of the Provincial expenditure provided for

Charge for map-making under Revenue Board.

(a) The absence of the detailed information promised by the Government of the North-Western Provinces prevented us from carrying out this intention. The matter will be disposed of by the Finance Commissioner with the Government of India.

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Law and Justice.

in the Contract, it might be on the understanding that the work is more rapidly got through, so that the charges may come to an end within a limited period.

LAW AND JUSTICE.

32. The receipts have fallen from 9,47 to 9,00, and the expenditure has risen from 51,99 to 53,50 during the present Contract. We have accepted the Budget figure on the Receipt side. On the Expenditure side it is made up of two parts, Law and Justice proper, 42,35, and Jails, 11,15. The estimate for Jails is higher than during any of the three last years, and we think the average of three years, or say, 10,50, may safely be taken. One of the causes of increased expenditure under Law and Justice is the creation of the post of Legal Remembrancer. This officer is employed on both Civil and Criminal work, and about half the Civil cases are connected with the Court of Wards; the provision therefore under which these estates pay one-third of his salary and establishment seems a fair one.

Jail Expenditure.		
1883-84	:	10,93
1884-85	:	10,70
1885-86 (Revised)	:	9,66
Total	:	31,29
Average	:	10,43

33. We should have made some suggestions regarding the Oudh Judicial Commissioner's establishment, but for the fact that the Lieutenant-Governor proposes to amalgamate his Court with the High Court, and it may be assumed therefore that the strength of the new establishment will be carefully scrutinised.

34. There are four Small Cause Courts with Judges, two on R800, one on R1,000 (Lucknow) and one on R1,200 (Allahabad). It seems to us questionable whether it would not be more economical that this work should be done by members of the ordinary judicial staff, and whether there is any necessity for these special Courts. Moreover, supposing them to be required, we doubt if it is necessary to give to officers, who do not appear to be doing specially difficult or responsible work, a salary higher than the highest grade Subordinate Judges receive, or R800. These posts were originally filled by Civil Servants, and the salaries were probably fixed with a view to the ordinary emoluments of Civil officers of a standing suitable for exercising these functions; but, now that they are given to Natives of India, we think there is reason to propose that they should be reduced, or that the two-thirds rule should be applied. We have mentioned this suggestion in conference with His Honour the Lieutenant-Governor, who expressed his unwillingness to reduce the salaries, as these posts are the principal prizes he is able to give to his Subordinate Judicial Service. We leave it to the Government of India to say whether the suggestion should be pressed.

35. There are twelve Cantonment Magistrates in the North-Western Provinces and Oudh, and it seems to us very possible that an economy may be effected by abolishing the appointments in such Cantonments as are close to a head-quarter station, where a Covenanted Assistant or Joint Magistrate is generally stationed, who could try cases in which Europeans are concerned. In such circumstances an additional Deputy Magistrate should be able to do the ordinary judicial work of the post, a special allowance being given to the Station Staff Officer or to a selected subaltern officer for the performance of executive functions in subordination to the Commanding Officer, the whole cost being still less than the pay of a

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Police.

Cantonment Magistrate. We have not however yet received the statistics as to the work done by these officers, which we have asked for, and we are promised a formal reply by the Lieutenant-Governor giving his opinion on the suggestion. When this is received we shall submit a supplementary Note (a) to the Government of India.

36. There has been a considerable increase under the head of Diet to Witnesses in the Courts of Judges and Magistrates from R52,453 in 1884-85 to R78,150 in 1886-87. This is due to provision being made for a more careful insistence by the High Court on the carrying out of the rules on this head. But we conceive that the expenditure will probably fall short of this high estimate. The figure of the Revised Estimate should be taken.

37. Our enquiries show that the Jail Department is managed very economically in the North-Western Provinces, and we have no material change to suggest. We find however that the commission paid to the jailors is calculated not on the actual but on the estimated profits gained by manufacture,—that is, it is partly based on the estimated value of goods in store at the end of the year. A jailor, therefore, who over-estimates the value of his goods and places them at a higher figure than they may realise by sale, will gain a larger commission than he should do. We think the commission should be calculated on actual cash transactions. The interest of the jail officers should not cease before the actual realisation of the price of the manufactured articles.

POLICE.

38. Receipts under the head of Police have fallen from 3,90 to 3,66 and expenditure has increased from 36,46 to 38,61. We have accepted the Budget of 1886-87 as the basis of the future Contract. The increase has been mainly due to taking over the Municipal Police and to an increase of the pay of the lowest grade constables from R5 to R6, a special grade at R8 being at the same time constituted.

39. We have carefully scrutinised the expenditure in this Department, and we see little to take exception to. There are two Deputy Inspectors-General under the Inspector-General, and we are satisfied that their retention is justified by the importance of the inspection work and of the work in connection with special crimes, which they carry out. The proportion of officers to men in the Police seems high, but we are not prepared to recommend its reduction against the advice of the Inspector-General. The number of District Superintendents is only one for each district, and the number of Assistants is not more than enough to provide for vacancies by leave and furlough. The Municipalities have been relieved of Police charges amounting to R1,57,000, and have also reduced their contributions towards pensions, &c., by about R50,000, in return for which they have taken over Medical and Educational charges amounting to R1,30,000. It may be possible more completely to equalise the two sides of the account, though we are aware that in some cases the whole cost of such Municipal Institutions may not be equal to the cost of the Police, which the Municipality formerly bore. The cost of arms and accoutrements has risen by about R12,000 on account of the purchase of Enfield rifles and revolvers. This is not a permanent expenditure; but if the

(a) This intention was not carried out before the dissolution of the Committee.

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Education.

Government is resolved to furnish all its armed Police (who are understood to be about 7,000 in number and to be chiefly employed on the frontiers of foreign States, such as Gwalior and Nepál, where dacoities are frequent and dacoits in some cases have better arms than the Police) with improved weapons, a sum at least equal to this will have to be spent for the next five years. A small reduction may be made in the cost of Police hospitals, either by giving up to the Police a ward in the Civil Dispensary, or if there is not sufficient accommodation there, by building an additional ward on to the Dispensary, and so getting rid of the double staff of Native Doctors, compounders, &c. This might effect a saving of about R10,000, but we have not yet received all the information we require on this head from the Inspector-General of Police.

EDUCATION.

40. The receipts under Education have risen from 1,11 to 1,30 during the currency of the Contract, and the expenditure has fallen from 8,22 to 4,26; but this is due to the transfer of a large number of schools with their corresponding charges to the Local bodies. We accept the receipt figure of the Budget, but Expenditure over-estimated. have lowered the expenditure estimate to R3,80 as the basis of the future Contract. The reason for this is that it seems clear that the actual expenditure will not equal the estimate. On the Receipt side there has been a great increase in the rates of fees levied, which will, unless the number of pupils falls off largely, increase the income. On the Expenditure side we find that an increase has been budgeted for under several heads without any sufficient reason. The Book Depôt has been closed since the Government orders on the Budget were framed, effecting a saving of R13,800, and there will also be a reduction in the receipts. The Revised Estimate will give approximately the true figures.

41. We learn that, whereas the Agra College cost R47,291 in 1882, of which the Provincial Government paid R20,799, it now costs R46,588, of which the Provincial Government pays R10,800 as a grant-in-aid. We suggest that this precedent be applied to the case of the Benares College, which seems to be situated in a place peculiarly suitable for local support and management. The figures supplied us are not complete, but we learn that the superior staff of the Arts College costs R27,000, of the Sanskrit Department R9,876, and of the Anglo-Sanskrit R1,800. The Lieutenant-Governor was not prepared to give an answer to this suggestion at the time of our conference, but promised to take it into consideration. We would suggest that the Government of India should support the proposal.

42. There are eight Inspectors of Schools, four of whom are graded officers of long standing, one drawing R1,500 and three R1,250 per mensem. They will not be entitled to retire on full pension till 1891 or later. Meanwhile they are extremely expensive, and there is no doubt that the work can be done as well by Native Inspectors on much lower salaries. Supposing even two Natives to be appointed on R300 or R400 in the place of each of these senior Inspectors, there would be a saving which would cover the cost of their pensions: and we think it would be a gain, both economical and administrative, if the Government of India were to offer them their pensions at once, although they have not served their full time. We cannot say

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Medical.

how many of them would accept such an offer, but we have reason to believe that some of them would, and we think the suggestion might be tried.

MEDICAL.

43. Under Medical, as in the case of Education, there have been considerable transfers to the Local bodies. The Budget of 1886-87 shows receipts 6 and expenditure 7,14, and we accept these figures as the basis of the future Contract. We have a few suggestions to make for reduction of expenditure under this head.

44. In fourteen districts it is permissible to employ either covenanted or uncovenanted Civil Surgeons, provided that at least four of them are covenanted. We find that at present there are only four covenanted officers in these posts, and that the rest are uncovenanted: no further economy is therefore possible under the existing orders.

45. There are four Assistants to the Civil Surgeons at Mussooree, Naini Tal, Lucknow, and Allahabad. We question the propriety of these appointments. We were told that at the two former places the necessity for them arises from the fact that the Civil Surgeon is bound to attend the families of all military officers who come to those stations; but as there are Military Medical officers attached to the Depôts at Landour and Naini Tal, we think that this duty might be imposed upon them, and that the Civil Surgeon, being thus left free to carry out his own special duties, would be able to dispense with the services of an Assistant. We recommend that this proposal be discussed between the Financial and Military Departments of the Government of India. As to the other two stations, it is urged that there is a great deal of miscellaneous work to be done, institutions to be attended and a large body of clerks and Eurasians in the service of Government who have to be looked after. It is however well known that both these appointments are very lucrative by reason of the private practice which accompanies them, and if a Civil Surgeon has leisure for a large private practice, he cannot plead that he has no leisure for his official duties. We think therefore it is reasonable to say that in such cases the Civil Surgeon should pay for the Assistant out of his own pocket. The abolition of these four appointments would cause a saving of Rs,640.

46. The Civil Surgeons at Allahabad and Benares receive an allowance of R100 each for attending the local Colleges. If their attendance is on the English officers only, the allowance is certainly not justifiable; if it is on the boys also, it seems a question why College boys should be provided with medical aid at the cost of the general taxpayer to any greater extent than the ordinary public. We have asked for further information as to the facts in this case.

47. We are inclined to think that Government officers should pay for their medicines; but on this point we shall make a separate proposal.(a)

48. His Honour the Lieutenant-Governor is of opinion that there is no necessity for the retention of the Sanitary Commissioner and Superintendent of Vaccination, and that the work might effectually be done by the Inspector-General of Civil Hospitals, whose time is not fully taken up by the duties of his own

(a) This subject was not again taken up before the Committee dissolved.

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Scientific and Minor Departments.

office. In this opinion we entirely agree and recommend the abolition of the post, which has just become vacant by the retirement of Dr. Planck.

49. We have felt some doubt whether it is necessary to employ three Deputy Superintendents of Senior Surgeons as Deputy Superintendents of Vaccination. tion, with the result that half of the expenditure on this head is absorbed by the salaries of the superior officers alone. In some other Provinces it is found sufficient to place Vaccination under the care of the Local Boards and Civil Surgeons, with one or more Native Superintendents of Vaccination for each district and one supervising officer for the Province; if this were done in the North-Western Provinces, it would cause a large reduction in expenditure. But Sir A. Lyall has objected that, if the Superintendent of Vaccination is abolished, it would be unadvisable at the same time to remove one or more of the Deputy Superintendents, and that such a reduction should be gradual and its effects be carefully watched. We may possibly return (a) to this subject, after we have visited other Provinces and discussed similar proposals with their Governments.

SCIENTIFIC AND MINOR DEPARTMENTS.

50. *Receipts*.—The receipts according to the Budget are 1,03, but this is more by 7 than the average of the last three years, and we therefore take 96 as the figure of the Contract.

51. *Expenditure*.—The cost of the Agricultural Department has increased from R77,000 to R86,000 in the last two years. The Agricultural Department— expenditure to be reduced. Director's salary is R1,800 and he has two Assistants, one of whom is a senior officer of the Oudh Commission on R1,500, and the other a Native on R400. The pay of R1,800 is high as compared with that allowed in other Provinces; but assuming that an officer of considerable standing must be employed as Director, we think that the salary of R1,500 for an Assistant is excessively high and should be reduced. The officer referred to was appointed for five years on a salary of R1,000 rising to R1,500, and is now in his fifth year of office. We recommend that when this year is over, an Assistant on much lower salary be appointed in his place.

52. The cost of the Botanical Garden at Sahāranpur is fixed at R32,500 in the Budget of 1886-87, and includes the pay of the Superintendent, Mr. Duthie, who is chiefly engaged in the work of botanical research outside the limits of the Garden and of the Province. The Government of India (Revenue and Agricultural Department, 12th February 1886) suggested that his appointment should be treated as an Imperial one, and that half the Budget figure should be allotted to the Garden. The Government of the North-Western Provinces (23rd June 1886) agreed to this proposal, and estimated the expenditure properly attaching to Mr. Duthie and his botanical tours as shown below:—

	R
Superintendent's pay	8,400
Establishment	3,186
Travelling allowance	2,640
Contingencies	800
	15,026

We propose therefore that the Provincial expenditure under this head should be diminished by R15,000.

(a) This subject was not again taken up before the Committee dissolved.

The Future Provincial Contract with the North-Western Provinces and Oudh.

Superannuation Allowances and Pensions. Stationery and Printing.

53. The other items under this head which require notice, are shown in the margin. We have enquired into the objects with which these Institutions were started and the work which they perform, and we cannot recommend the abolition of any of them. They are not very costly, and they all seem to perform, or to be likely to perform, some useful purpose. We understand, however, that the item "Nazul and Horticultural Gardens" includes the establishment employed in keeping up the

OTHER ITEMS.

	Receipts.	Charges.
Lucknow Museum . . . . .	...	17-
Cawnpore Farm	3-5	15-1
Ghazipore Farm	6-5	3-3
Meerut Farm		2-5
Kumaon Orchards . . . . .	...	1-5
Reh Experiments . . . . .	...	20-
Well Experiments	5-	12-
North Indian Manufactures	5-	5-
Tea Shops	5-	5-
Endowed Gardens, Agra and Allahabad . . . . .	...	6-1
Cawnpore Memorial Garden . . . . .	...	5-
Nazul and Horticultural Gardens	10-	56-5
Amnigarh Garden . . . . .	...	3-5
Miscellaneous	5-5	3-9

gardens and grounds of the Government Houses at Allahabad and Lucknow, and we recommend that these charges be shown distinctly in future against the Lieutenant-Governor's expenditure under the head General Administration.

SUPERANNUATION ALLOWANCES AND PENSIONS.

54. The Lieutenant-Governor has expressed a desire that this head should

The head to remain Provincial.

remain Provincial on the ground that the Local Government can ensure large economies by restricting the application of the 55-year rule to cases where it is absolutely necessary to retire an officer on the ground of physical infirmity; whereas, if the Government has no pecuniary interest in the matter and the rule is allowed to take effect in all cases, the pension list will be largely and unnecessarily increased. We think this reasoning is convincing, and we therefore recommend the retention of this head in the Contract, fixing the estimates at 13,48 (expenditure) and 16 (revenue), at which they stand in the Budget of 1886-87.

STATIONERY AND PRINTING.

55. On the receipt side the Budget of 1886-87 gives 69, but the Actual

The cost and management of the Government Press at Allahabad.

and the Revised Estimate figures of the two preceding years are 44. We think it safer to take the average of the three years, 51. On the expenditure side we accept the figures of the Budget of 1886-87, 5,65. We think, however, that the cost of the Government Press, Allahabad (2,54), and of printing at private presses (39-8), might be somewhat reduced. The Press is supervised by two highly paid officers, a Superintendent at R1,000 (with R100 house-rent), and an Assistant Superintendent for whom provision is made in the Budget of 1886-87 at R900. The Superintendent is a Lieutenant-Colonel in the Army, who would receive nearly the same pay if unemployed, and we do not therefore advocate his reduction. But when he retires (which will be shortly) opportunity should be taken to substitute a cheaper and more technically experienced officer.

56. We have ascertained that the hands employed in the Press are paid by

Rates for valuation of work high.

fixed salaries, whereas it is the experience of all other offices that the piece-work system of payment is more economical. A scale of rates is in force for estimating the value of work done, which does not appear to us to have been carefully fixed, and which disagrees with, and in some cases largely exceeds, the scale of rates laid down in the Calcutta Central Press: this scale is used for valuing and paying for

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Miscellaneous. Contributions from Provincial to Local.

work done by private Presses (so far as not tendered for), the class of work chiefly done by which (forms and tabular matter) is precisely the class for which the Allahabad scale lays down the excessive rates. A revision of this scale would therefore produce a considerable saving in these payments.

57. The Superintendent informs us that for certain reasons piece-work would not be more economical in the Allahabad Press; but as he does not systematically measure the outturn of work performed on the fixed salary system, the matter is at least open to doubt. In any case we think that the Press ought to be subjected to audit in the same way as the Presses in Calcutta, so that the Government might be in a position to compare its actual expenditure with the value, calculated at suitable rates, of the outturn of work. The annual report of the Press shows a profit on the working, which is, however, obtained by valuing the press work at rates which are open to great question, and the stationery at rates which appear to be higher than Government is charged for it.

MISCELLANEOUS.

58. We accept the Budget figure for the receipts under Miscellaneous, 2,66. On the expenditure side the figures are:—

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86, Revised.	1886-87, Budget.
Books and publications	14	16	30	31	25	25
Charitable donations	56	56	59	52	54	55
Destruction of wild animals	9	11	14	10	18	23
Petty establishments	19	45	54	50	40	54
Special commissions	1	9	13	1	2	5
Refunds	56	14	4	3	20	20
Other items	39	17	30	18	12	14
TOTAL	1,91	1,68	2,04	1,71	1,71	1,96

The average of the last three years, 1,82, may be taken.

CONTRIBUTIONS FROM PROVINCIAL TO LOCAL.

59. These items are very important in the North-Western Provinces. They practically represent expenditure from Provincial Funds on objects which are now placed under Local Boards, which are supplied from Provincial with the means of carrying them out.

60. The following is an analysis of the figures relating to them showing the net charges, after deducting receipts:—

Heads of Account.	Contract.	1882-83.	1883-84.	1884-85.	1885-86, Revised.	1886-87, Budget.
PROVINCIAL—						
Education	7,08	3,49	3,20	3,05	3,15	2,96
Medical	8,20	5,99	6,14	6,54	6,76	7,08
Civil Works	19,61	18,87	21,44	21,24	19,04	19,58
TOTAL	34,95	28,35	30,78	30,83	28,95	29,62
LOCAL—						
Education	7,92	11,99	12,20	12,95	12,06	13,57
Medical	1,14	2,31	3,27	3,30	3,08	3,52
Civil Works	18,76	19,63	28,50	26,31	25,91	26,47
TOTAL	27,82	33,93	43,97	42,56	41,65	43,56
TOTAL—						
Education	15,00	15,48	15,40	16,00	15,81	16,53
Medical	9,40	8,30	9,41	9,84	9,84	10,60
Civil Works	38,37	38,50	49,94	47,55	44,95	46,05
TOTAL	62,77	62,28	74,75	73,39	70,60	73,18
Transfers from Provincial to Local	7,12	12,50	21,99	19,31	18,92	18,66

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Public Works.

61. The Provincial expenditure fell in 1882-83 by $6\frac{1}{2}$ lakhs, while the Local expenditure rose by 6 lakhs: there was therefore a transfer of six lakhs from Provincial to Local, in addition to the previous contribution of 7,12 provided for in the Contract. But since 1882-83 the Local expenditure has increased by $9\frac{1}{2}$ lakhs, of which a part, or about four lakhs, has been provided by the Local Boards from the growth of their own resources, and the rest, or about $5\frac{1}{2}$ lakhs, has been an additional contribution from Provincial to Local. This part must be treated in the same way as if it had still been Provincial expenditure. The increase has been almost entirely under the head of Civil works, the expenditure on which since 1878-79 has stood as follows:—

	1878-79.	1879-80.	1880-81.	1881-82.	1882-83.	1883-84.	1884-85.	1885-86, Revised.	1886-87, Budget.
Provincial	21,01	25,60	27,80	27,37	31,61	31,05	30,18	28,83	28,63
Local	23,35	8,02	16,68	21,30	20,18	29,15	26,82	26,70	27,20
TOTAL	44,39	33,62	44,48	48,67	51,79	61,10	57,00	55,53	55,83

This increase can be allowed for in the assignment of Provincial Revenues only to the extent, which would be admissible if the expenditure were met by Provincial directly, instead of the funds being handed over to Local Boards to spend.

62. We therefore allow only 6,00 (*viz.*, 4,00 Education and 2,00 Medical) as the necessary addition to be made to the grants to Local Funds, over and above the 7,12 granted in the Contract of 1882.

PUBLIC WORKS.

RAILWAYS.

63. All the Railways except the Bareilly-Pilibhit will pass out of the Provincial Contract, and our estimate is made in respect of them only *pro forma*. It is necessary, however, to insert them in our statements in order to show the difference between the existing and the proposed Contracts, arising from a new estimate of the revenue and expenditure, before introducing another difference arising out of the alterations in their distribution.

64. The payment of Rs40,000, to the Kumaon-Rohilkhand Railway is provided for under Railway subsidy.

IRRIGATION AND NAVIGATION.

65. *Productive Works*.—The Upper and Lower Ganges canals have suffered for a year or two in the past, and will suffer for a year or two in the future, from a heavy loss of irrigation revenue caused by the failure of the Nadrai aqueduct over the Kalinadi. Our figures of the future Contract neglect this loss. It seems inadvisable to complicate the contract with conditions arising out of this matter, as it is obvious that whatever loss of revenue and whatever expenditure upon the new aqueduct have to be borne by Provincial will have to be granted to Provincial at the cost of Imperial. Our proposal, therefore, is that—

(1) the new Contract be framed without reference to this loss of revenue and heavy expenditure;

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Public Works.

- (2) the loss of revenue, until the new aqueduct is in working order, be made up to Provincial by a transfer passing in the usual way through the Land Revenue head;
- (3) the cost of the new aqueduct be borne in the Imperial column entirely, whether charged to revenue or to capital; but that in the latter case no interest be charged to Provincial during the Contract.

Past Revenue and Expenditure.

66. The Revenue and Expenditure of these canals are as follows:—

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86, Revised.	1886-87, Budget.
Revenue—Ganges Canal . .	19,30	23,41	24,27	29,17	19,12	20,28
„ Lower Ganges Canal . .	14,14	15,78	15,14	16,94	13,58	11,80
TOTAL . .	33,44	39,19	39,41	46,11	32,70	32,08
Expenditure of both—Usual Expenditure.	13,09	14,61	15,10	16,64	16,42	16,06
Charge for Aqueduct . .	.....	.....	.....	84	54	1,72

It seems reasonable to put down 40 lakhs as the estimate of revenue when the aqueduct is restored, and $16\frac{1}{2}$ lakhs as the estimate of expenditure. The revenue would certainly have progressed to over forty lakhs had it not been for the break-down.

67. In an estimate furnished by the Local Government the following is shown as the revenue of the two canals:—1887-88, 34,00; 1888-89, 35,30; 1889-90, 39,50; 1890-91, 41,00; 1891-92, 43,60. The working expenditure, by the same estimate, is, for the same five years, 17,90; 17,90; 17,40; 17,40; 17,40, of which 1,70 is in the first years a charge for the aqueduct, and in the last years a charge for additional interest.

68. These figures closely correspond with our estimate, as showing that the present standard of revenue, apart from the temporary loss, is 40,00, and that the progress from that point will be resumed by the time the aqueduct is complete.

69. The interest charge in the Budget of 1886-87 stands at 20,59 Provincial and 86 Imperial, total 21,45. It is assumed that (barring the outlay on the Nadrai aqueduct) further capital expenditure will bring in sufficient revenue over and above the standard of 40 lakhs to meet the interest charge.

70. Our proposal therefore is to estimate the revenue for the purpose of the new Contract at 40 lakhs, while the Provincial Government considers that in the first three years of the Contract they will, under existing circumstances, make only 34,00, 35,30, and 39,50. Supposing we accept these estimates and take the 30 and the 50 in the last two cases as representing the revenue required to meet the new interest charges, there should be a supplementary arrangement that Imperial shall transfer to Provincial, to make up for this temporary failure of irrigation revenue, 6,00 in the first, 5,00 in the second and 1,00 in the third year of the Contract.

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Public Works.

71. As regards the cost of the new work, the present estimates place it at 32,70 as a minimum, of which 5,70 is to be charged to Revenue and the rest to Capital. Whatever part of this falls within the period of the new Contract will be borne entirely by Imperial. A small part of the expenditure will have been incurred before 31st March 1887, and belongs to the current Contract.

Cost of re-building the aqueduct.

The Agra and Eastern Jumna Canals.

72. Of the other two canals the following are the figures :—

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86, Revised.	1886-87, Budget.
<i>Agra—</i>						
Revenue	5,91	5,29	6,44	7,92	4,45	5,45
Expenditure	2,26	2,18	2,39	2,66	2,67	2,72
<i>Eastern Jumna—</i>						
Revenue	7,39	8,35	7,65	7,94	5,74	7,32
Expenditure	1,73	1,99	1,96	1,92	2,03	2,19

The figures of 1884-85 were exceptionally high, and should not be regarded as precedents; but the Budget certainly seems in both cases to give rather a low estimate of revenue and a high estimate of expenditure.

Local Government's forecast.

73. The Local Government have given the following figures as a forecast for five years :—

	1887-88.	1888-89.	1889-90.	1890-91.	1891-92.
<i>Agra—</i>					
Revenue	6,50	7,00	7,50	8,00	8,40
Expenditure	2,40	2,40	2,40	2,40	2,40
<i>Eastern Jumna—</i>					
Revenue	7,50	7,70	8,00	8,00	8,00
Expenditure	2,20	2,20	2,20	2,20	2,20

The forecast for the first of these years seems a not unfair estimate of the present scale of revenue and expenditure.

74. The interest charges according to the Budget of 1886-87 are 3,32 and 1,18 respectively, of which in each case 9 is Imperial. They are only slowly increasing, and of course new capital expenditure presumably brings in new revenue.

Interest charges.

75. *Minor Works.*—The revenue derived from minor Irrigation Works during the period of the current Contract has been 1,31; 1,35; 1,48; 1,33 and (Budget, 1886-87) 1,39. We may take 1,40 as the figure of the future Contract. On the expenditure side the figures have been as follows :—

Minor works.

	Maintenance.	Capital.	Total.
1882-83	1,75	39	2,14
1883-84	1,54	63	2,17
1884-85	1,93	33	2,26
1885-86	2,13	12	2,25
1886-87	2,49	14	2,63

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Adjustments.

There has been some heavy expenditure of late years on the Rohilkhand canals, which will not, we understand, continue, and we have taken the future figure at 2,13.

CIVIL WORKS.

76. The receipts depend largely on the outturn of the Roorkee workshop, which the Local Government propose, if possible, to sell or lease, but this will not affect the Contract. The receipts of late years have been 12,74 in 1882-83 (when an exceptionally large income was got by sales); 10,51; 8,89 and 9,65. The Budget of 1886-87 provides 9,00. The latter figure may be accepted. On the expenditure side the figures are :—

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	Budget.
Original Works	9,42	10,34	10,46	11,26	9,10	7,86
Repairs	12,43	13,61	13,04	11,60	11,90	12,66
Establishment	5,66	6,99	7,11	6,93	7,09	7,15
Tools, plant, &c.	—1,40	—21	56	—69	14	16
Civil Officers (<i>i.e.</i> , collection of ferries and tolls, nazul lands, &c.)	1,26	91	78	1,08	60	80
TOTAL	27,37	31,61	31,95	30,18	28,83	28,63

The Budget is lower than the expenditure of past years. Allowing 8 lakhs for Original Works and 12 lakhs for Repairs, the establishments should not cost more than 5 lakhs, namely, 25 per cent. of the expenditure on works; 6,50, however, has been allowed, making, with the expenditure under Tools and Plant and Civil Officers, a total of 27,50.

ADJUSTMENTS.

77. The new Contract will, it is presumed, swallow up all past adjustments made on account of modifications in the distribution of revenue or expenditure since 1882. Their amount is therefore stated only to enable a comparison to be made between the results of the existing and of the proposed Contracts. In the Estimates for 1886-87 it is —33 net. There is also a special contribution to Imperial for Railway capital expenditure, which appears in the estimates as a reduction of the Provincial share of Land Revenue by 1,71.

78. The duty on Shahjahanpur rum, at R4 a gallon, is credited to Excise in the North-Western Provinces accounts, but half the amount levied in respect of exported rum (that is, the Provincial share) is by inter-provincial adjustment passed on by debit to North-Western Provinces and credited to the several Provinces to which it is exported. This adjustment has to be estimated for. Taking it at the average of 1884-85 and 1885-86, it will stand at 1,66, namely, 73 for the Punjab, 84 for Bengal, 5 for Central Provinces, and 4 for India.

79. The other inter-provincial adjustments necessarily drop out of account. They will come in, in the accounts of each year, as compensations for differences from our estimates,—for example, if the North-Western Provinces pays the leave allowances of a Bengal

The Future Provincial Contract with the North-Western Provinces and Oudh.

Conclusion.

officer, it will recoup the amount by inter-provincial adjustment; but as we have not included such payments in our estimate, we have not to show separately the corresponding compensating adjustment.

CONCLUSION.

Summary of above proposals
80. The figures which we propose as a basis for the Contract of 1887—1893 are set forth in the annexed Statements A, B, and C. Columns 4 and 5 of A and B give the following result:—

	Total Estimate	Provincial Share.
Revenue	8,46,94	3,34,84
Expenditure	3,42,25	3,22,19
SURPLUS	5,04,69	12,65

There is thus a surplus of Provincial resources of 12,65, which may be resumed. It will not be fully realised during the first three years, as an allowance has to be made for loss by the Nadrai aqueduct, amounting to 6,00 the first year, 5,00 the second, and 1,00 the third, as explained in paragraph 70.

New system of distribution. Provincial to contribute 13,90 yearly to Imperial.
81. According to the new scheme, as ordered by the Government of India, the figures in column 6 of statements A and B give the following result:—

	₹
Revenue	3,28,94
Expenditure	3,15,04
SURPLUS	13,90

82. This sum of 13,90 will be a lump reduction to be taken off, during each year of the Contract, from the Provincial Revenues.

POONA,
The 10th September 1886.

The Future Provincial Contract with the North-Western Provinces and Oudh.

A.—STATEMENT OF REVENUE.

.....	BUDGET ESTIMATE OF 1896-97.		ESTIMATES NOW ADOPTED.		
	Total.	Provincial Share.	Total.	Provincial share as at present.	Provincial share as proposed.
1	2	3	4	5	6
	R	R	R	R	R
Civil Heads.					
Land Revenue—Divisible	5,74,11	1,46,14	5,74,00	1,46,11	(a) 1,43,50
„ Provincial	5,66	5,66	5,70	5,70	5,70
Stamps	62,60	31,25	62,50	31,25	46,87
Excise	54,00	27,00	51,00	27,00	13,50
Provincial Rates (Provincial portion)	16,69	16,69	16,69	16,69	16,69
Assessed Taxes	20,50	6,00	20,50	6,00	10,25
Forests	15,50	7,75	15 50	7,75	7,75
Registration	3,45	1,73	3,45	1,73	1,73
TOTAL REVENUE HEADS	7,52,41	2,42,22	7,52,34	2,42,23	2,45,99
Interest (Provincial)	7	7	7	7	7
Law and Justice, Courts	4,85	4,85	4,85	4,85	4,85
„ Jails	4,15	4,15	4,15	4,15	4,15
Police	3,66	3,66	3,66	3,66	3,66
Education	1,30	1,30	1,30	1,30	1,30
Medical	6	6	6	6	6
Scientific and Minor Departments	1,03	1,03	96	96	96
TOTAL CIVIL DEPARTMENTS	15,05	15,05	14,98	14,98	14,98
Superannuations (Provincial)	16	16	16	16	16
Stationery (Provincial)	69	69	51	51	51
Miscellaneous (Provincial)	2,66	2,66	2,66	2,66	2,66
TOTAL MISCELLANEOUS	3,51	3,51	3,33	3,33	3,33
Total Civil Heads	7,71,04	2,80,85	7,70,72	2,60,61	2,64,37
Public Works.					
Railways (<i>vide</i> Statement C)	11,82	11,82	11,82	11,82	1,00
Irrigation and Navigation—					
Productive Works	44,85	44,85	54,00	54,00	54,00
Minor Works	1,39	1,39	1,40	1,40	1,40
Civil Works	9,00	9,00	9,00	9,00	9,00
Total Public Works	67,06	67,06	76,22	76,22	65,40
TOTAL REVENUES	8,38,10	3,27,91	8,46,94	3,36,83	3,29,77
Adjustments—					
Contributions to Imperial for Railway Capital . . . . .	...	—1,71	...	...	...
Transfers on account of various re-classifications . . . . .	...	—33	...	—33	...
Shahjahanpur rum . . . . .	...	—1,66	...	—1,66	—83
Other Inter-Provincial adjustments . . . . .	...	57	...	...	...
TOTAL RESOURCES	8,38,10	3,24,78	8,46,94	3,34,84	3,28,94

(a) The Government of India letter No. 2187, dated 26th July 1886, proposes the assignment of a fixed sum plus a quarter of the increase. We adopt in this statement the somewhat more convenient, but equivalent, course of assigning one-quarter of the whole minus a fixed sum.

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B.—STATEMENT OF EXPENDITURE.

.....	BUDGET ESTIMATE OF 1886-87.		ESTIMATES NOW ADOPTED.		
	Total.	Provincial Share.	Total.	Provincial share as at present.	Provincial share as proposed.
1	2	3	4	5	6
Civil Heads.					
Refunds—Land Revenue	80	22	(a) 26	6	6
Divided heads	1,56	78	(a) 1,40	70	90
Land Revenue (Survey and Settlement)	10,05	2,56	10,00	2,54	2,50
" (Collectors' Establishments)	35,09	35,00	35,00	35,03	35,00
" (Village officers)	34,95	31,95	31,68	31,68	31,68
" (Government Estates)	2,55	2,55	2,55	2,55	2,55
" (Other charges)	1,16	1,04	1,16	1,04	1,04
Stamps	1,32	66	1,32	66	99
Excise	1,21	61	1,21	61	30
Provincial Rates	7	7	7	7	7
Assessed Taxes	25	4	10	4	5
Forests	9,25	4,63	9,75	4,88	4,88
Registration	1,91	95	1,91	95	95
TOTAL REVENUE HEADS	1,00,05	84,06	99,41	83,78	83,97
Administration (excluding Account and Currency Offices).	12,74	12,74	12,51	12,51	12,54
Law and Justice, Courts	42,35	42,35	42,35	42,35	42,35
" Jails	11,16	11,16	10,50	10,50	10,50
Police	39,27	38,61	39,27	38,61	38,61
Education	4,26	4,26	3,80	3,80	3,80
Medical	7,14	7,14	7,14	7,14	7,14
Scientific and Minor Departments (except Archaeo- logical).	3,09	3,09	3,09	3,09	2,91
TOTAL CIVIL DEPARTMENTS	1,20,00	1,19,34	1,18,69	1,18,03	1,17,88
Superannuations (Provincial)	13,48	13,48	13,48	13,48	13,48
Stationery	5,65	5,65	5,65	5,65	5,65
Miscellaneous (Provincial)	1,96	1,96	1,82	1,82	1,82
TOTAL MISCELLANEOUS	21,09	21,09	20,95	20,95	20,95
Total Civil Heads	2,41,17	2,24,49	2,39,05	2,22,76	2,22,80
Public Works.					
Railways (as per Statement C)—					
Working expenses	8,31	8,31	8,31	8,31	70
Interest	4,94	1,20	4,94	1,20	58
Subsidy	40	40	40	40	40
Miscellaneous	19	19	...	...	...
Construction	10,29	10,29	...	...	...
TOTAL RAILWAYS	24,13	20,39	13,65	9,91	1,68
Irrigation and Navigation—					
Productive Works (see Statement C)—					
Working Expenses	22,69	22,69	20,85	20,85	20,85
Interest	25,95	24,91	25,95	24,91	25,95
Minor Works—					
Working and Capital	2,63	2,63	2,13	2,13	2,13
Interest (b) . . . . .	...	1,01	...	1,01	1,01
TOTAL IRRIGATION AND NAVIGATION	51,27	51,24	48,93	48,90	49,94
Civil Works—					
Original Works	7,86	7,86	8,00	8,00	8,00
Repairs	12,66	12,66	12,00	12,00	12,00
Establishment	7,15	7,15	6,50	6,50	6,50
Civil Officers	80	80	80	80	80
Tools, Plant, &c.	16	16	20	20	20
TOTAL CIVIL WORKS	28,63	28,63	27,50	27,50	27,50
Total Public Works	1,04,03	1,00,26	90,08	86,31	79,12
Total Civil Heads and Public Works	3,45,20	3,24,75	3,29,13	3,09,07	3,01,92
Contributions to Local Funds—					
Surplus of Ferry Fund	5,81	5,81	} 13,12	13,12	13,12
Surplus of certain Government Estates	1,00	1,00			
In aid of Local Funds	11,85	11,85			
GRAND TOTAL OF EXPENDITURE	3,63,86	3,43,41	3,42,25	3,22,19	3,15,04

(a) Taken at the average of past years.

(b) Charged to Provincial by credit to Imperial.

The Future Provincial Contract with the North-Western Provinces and Oudh.

C.—STATEMENT OF PRODUCTIVE WORKS.

.....	BUDGET ESTIMATE OF 1886-87.			ESTIMATES NOW ADOPTED.			PROVIN- CIAL SHARE AS PRO- POSED.
	Budget Estimate.	Imperial.	Provincial.	Total.	Imperial.	Provincial.	
1	2	3	4	5	6	7	8
RAILWAYS.							
<i>Gross Earnings.</i>							
Cawnpore-Achneyra	10,35	...	10,35	10,35	...	10,35	...
Dildarnagar-Ghazipur	47	...	47	47	...	47	...
Bareilly-Pilibhit	1,00	...	1,00	1,00	...	1,00	1,00
TOTAL	11,82	...	11,82	11,82	...	11,82	1,00
<i>Working Expenses.</i>							
Cawnpore-Achneyra	7,35	...	7,35	7,35	...	7,35	...
Dildarnagar-Ghazipur	26	...	26	26	...	26	...
Bareilly-Pilibhit	70	...	70	70	...	70	70
TOTAL	8,31	...	8,31	8,31	...	8,31	70
<i>Interest.</i>							
Cawnpore-Achneyra	4,62	3,16	1,46	4,62	3,16	1,46	...
Dildarnagar-Ghazipur	28	...	28	28	...	28	...
Bareilly-Pilibhit	58	58	...	58	58	...	58
Deduct, charged as interest on debentures .	-51	...	-54	-51	...	-51	...
TOTAL	4,94	3,74	1,20	4,94	3,74	1,20	58
<i>Net Return.</i>							
Cawnpore-Achneyra	-1,62	-3,16	+1,51	-1,62	-3,16	+1,51	...
Dildarnagar-Ghazipur	-7	...	-7	-7	...	-7	...
Bareilly-Pilibhit	-28	-58	+30	-28	-58	+30	-28
Transfer to debentures	+51	...	+54	+51	...	+54	...
TOTAL	-1,43	-3,74	+2,31	-1,43	-3,74	+2,31	-28
IRRIGATION.							
<i>Gross Earnings.</i>							
Ganges Canal	20,28	...	20,28	40,00	...	40,00	...
Lower Ganges Canal	11,80	...	11,80				
Agra Canal	5,45	...	5,45	6,50	...	6,50	...
Eastern Jumna Canal	7,32	...	7,32	7,50	...	7,50	...
TOTAL	44,85	...	44,85	54,00	...	54,00	51,00
<i>Working Expenses.</i>							
Ganges Canal	9,53	...	9,53	16,25	...	16,25	...
Lower Ganges Canal	8,25	...	8,25				
Agra Canal	2,72	...	2,72	2,40	...	2,40	...
Eastern Jumna Canal	2,19	...	2,19	2,20	...	2,20	...
TOTAL	22,69	...	22,69	20,85	...	20,85	20,85
<i>Interest.</i>							
Ganges Canal	10,64	21	10,43	21,45	86	20,59	...
Lower Ganges Canal	10,81	65	10,16				
Agra Canal	3,32	9	3,23	3,32	9	3,23	...
Eastern Jumna Canal	1,18	9	1,09	1,18	9	1,09	...
TOTAL	25,95	1,04	24,91	25,95	1,04	24,91	25,95
<i>Net Return.</i>							
Ganges Canal	11	-21	32	2,30	-86	3,16	...
Lower Ganges Canal	-7,26	-65	-6,61				
Agra Canal	-59	-9	-60	78	-9	87	...
Eastern Jumna Canal	3,95	-9	4,04	4,12	-9	4,21	...
TOTAL	-3,79	-1,04	-2,75	+7,20	-1,04	+8,24	7,20

The Future Provincial Contract with the Central Provinces.

Preliminary.

CHAPTER V.

THE FUTURE PROVINCIAL CONTRACT WITH THE CENTRAL PROVINCES.

[Figures entered thus,—2,08—without designation, mean thousands of rupees.]

PRELIMINARY.

The following table shows briefly what is set out more fully in the Note reprinted as Appendix No. III to this volume, the financial history of the Central Provinces during the five-year period now coming to an end:—

Statement of Provincial Revenue and Expenditure in the Central Provinces from 1882-83 to 1886-87.

	REVENUE.					EXPENDITURE.				
	CIVIL.		PUBLIC WORKS.		Total.	Civil.	PUBLIC WORKS.			Total.
	Principal Revenue heads.	Other Departments.	Ordinary.	Railways Net.			Ordinary.	Interest on Railway Capital.	Capital expenditure.	
1	2	3	4	5	6	7	8	9	10	11
Average Assignment	55,17	7,02	70	71	63,69	49,31	9,08	2,69	1	61,08
1882-83	56,12	7,91	71	3,68	68,45	51,53	10,08	3,45	...	65,07
1883-84	53,15	7,02	65	6,50	72,32	50,75	10,45	3,49	...	64,69
1884-85	53,34	6,69	63	5,58	71,29	51,49	14,28	3,72	...	69,49
1885-86 (Revised)	57,60	7,14	55	5,00	70,89	52,15	13,43	3,93	...	69,51
1886-87 (Budget)	57,96	6,86	57	4,00	69,09	55,40	15,72	4,14	...	75,26
Total of the five years	2,88,17	35,65	3,16	25,96	3,52,94	2,61,32	63,96	18,73	1	3,44,02
Five times average Assignment	2,75,85	35,10	3,55	3,55	3,18,45	2,46,55	45,40	13,45	...	3,05,40

N.B.—For an explanation of the method by which these figures are arrived at, see paragraph 10 of Chapter II, page 14.

The actual revenue exceeded the assignment by 34½ lakhs. Of this 12½ were due to the revenue-producing heads (chiefly Excise, Stamps, and Forests, for Land Revenue showed but little growth, as in no district did the Settlement expire during the period), and 22 to the Nagpore-Chattisgarh Railway. Certainly the Province had to pay five lakhs above the assignment for interest on Capital; but putting this against the net income there was a clear gain by this Railway of 17 lakhs. On the Expenditure side the assignment was exceeded by 38½ lakhs, 15 lakhs under Civil heads, and 18½ under Ordinary Public Works, besides the 5 lakhs above mentioned under Interest on Railway Capital: but taking the whole five-year period, the revenue exceeded the expenditure by nearly nine lakhs of rupees. Its balance thus grew to 25 lakhs, but of this during the last year, the Province gave up 12 lakhs to the Government of India. In the current year provision is made for more liberal expenditure than in any previous year, and the Budget shows a deficit of 5½ lakhs. The expenditure must therefore be reduced (or the income be increased) by this much before equilibrium can be reached, and there must be a still further decrease of expenditure before the Government of India can make any profit by renewing the Contract on the old terms.

The Future Provincial Contract with the Central Provinces.

Land Revenue.

2. In our discussion with the authorities of the Central Provinces, we for the most part adopted the Budget figures of 1886-87 as the estimate of revenue and expenditure, upon which the new Contract should be based. We state below the result of our discussion of those figures, but the conclusions adopted are subject to such modifications, as may appear necessary, when the Revised Estimates for 1886-87 show the approximate actual financial results of the year.

LAND REVENUE.

3. *Revenue.*—There has been no alteration during the past five years in the standard of the revenue, and we have therefore adopted under this head the average of the past years, in which the collections were on the whole very steady. There appears to have been an unexpectedly short collection in the latter months of 1885-86, which will no doubt be made up in 1886-87. The Local Government accept our figure (61,18) as the present standard under this head. During the next five years several Settlements fall in, and arrangements for re-settlement are already in active operation. The estimated increases to be obtained are as follows :—

					Enhancement.	Progressive Total.
					R	R
1886	.	.	.	.	13,200	13,200
1887	.	.	.	.	25,770	38,970
1888	.	.	.	.	79,100	1,18,370
1889	.	.	.	.	1,87,360	3,05,730
1890	.	.	.	.	32,050	3,37,780

4. *Expenditure.*—A very complete plan has been laid down for the settlement of the Province, the general scheme of operations for each of the next ten or fifteen years having been already devised; but the proposals are still to some extent under discussion. In the Chattisgarh Division operations have been conducted upon the old method. A Professional Survey Party is at work in Biláspur (estimated to cost R211 per square mile) and a Settlement Survey Party is at work in Raipur and Sambalpur (estimated to cost R138 per square mile at present, but afterwards R100 only). The Biláspur Party, which is the last of four Professional Survey Parties working in the Central Provinces, will be withdrawn after completing that district in about three years more. The rest of the Province is to be settled on a system which utilises to the full the existing Patwaris. It begins with their instruction in survey work, and proceeds by various stages to the final settlement of the district concerned.

5. Part of the intended operations is a Professional Traverse Survey intended to furnish reference points for the Patwaris' survey. The Provincial authorities, while admitting this Traverse Survey to be very useful, did not consider it essential, and said that they would rather give it up than pay for it. The consequence is that it is now being carried out at Imperial cost.

The Future Provincial Contract with the Central Provinces.

Land Revenue.

6. Excluding this Traverse Survey, the cost of the Survey and Settlement operations upon the plan at present sketched out, is :—

Future cost.	R
1887-88	5,48,300
1888-89	6,32,700
1889-90	4,66,850
1890-91	3,69,600

These figures include the cost of the Biláspur Survey Party of which Provincial pays its share. The whole Survey and Settlement operations up to 1897-98 will cost 39 lakhs of rupees, besides at least ten lakhs for Traverse Survey. The estimated annual addition to the revenue, when the operations are complete, is 18½ lakhs of rupees.

7. The old Survey and Settlement records are in most cases not sufficiently correct for present use, but the present scheme provides for the maintenance of the Survey Record as well as for the first operation.

Summary Settlement.

8. A Summary Settlement is meant to precede the regular operations in a small part of the Province.

9. No Survey or Settlement operations were provided for in the Contract made in 1882; but operations preliminary to the regular re-settlement were commenced soon after that year.

The figures in even thousands for the five years of the Contract are 0, 15, 48, 2,22, 3,75 (Budget); and of this expenditure the Provincial share will be borne by the Provincial Government up to the end of 1886-87. But for the future we would propose that the expenditure should not be included within the ordinary Contract, but be made the subject of a special arrangement. This seems desirable for several reasons: (1) because it is a new subject of expenditure which did not exist at the time the existing Contract was framed; (2) because the plan of operations is still subject to the settlement of one or two important questions; (3) because the expenditure is so large as to affect somewhat seriously the general financial working of any proposed Contract. As soon as the points still under discussion are settled, and the plan of operations finally fixed, an estimate should be made both of the cost to be incurred and of the expected gain of revenue by re-assessment. As one quarter of these would under the general system be Provincial, a special assignment should be made of one quarter of the excess of expenditure over increase of revenue, and this should be added every year to the ordinary assignment, provided that the scale of operations is not curtailed below that of the original estimate. But both for the purpose of fixing the terms of the new Contract itself, and for the purpose of comparing the result with that of the existing Contract, the subject of Survey and Settlement should be left out of consideration. We have, however, retained the cost of the work in column 5 of the annexed Statement B for the sake of comparison.

10. The expenditure under the head of Deputy commissioners and Establishments, &c., establishments is over-estimated in the Budget of 1886-87 by reason of the inclusion of the full sanctioned scale of Assistant Commissioners, without sufficient allowance for the fact that many of them are officiating in vacancies in higher appointments. The estimate is

The Future Provincial Contract with the Central Provinces.

Stamps.

for the expenditure of 1,55 against an actual past expenditure of about 70, the increase of 85 being therefore an excess estimate, of which half comes against this head and half against Law and Justice, say 42 against each. But as 20 of this excess was deducted as Probable Savings, this leaves only 22 under each head to be reckoned as over-estimate. There does not appear to be any probability of an increase in the whole strength of the staff, especially as any excess, accruing from an over-estimate in recruiting, will be swallowed up by the demands of the new Settlement Department.

11. We have therefore taken 7,28 as the estimate under this head, in lieu of the Budget figure of 7,50.

12. The charges against this head at the time of the last Contract were about one lakh less, and this increase in expenditure is Increase since 1882. thus accounted for:—

	R
(1) Improvement in the pay of Extra Assistant Commissioners, estimated in 1882 at	15,000
(2) Revival of a First Class Deputy Commissionership—suppressed in 1878 (half cost)	5,000
(3) New system of Revenue Inspectors (or Kauungos), viz., 108 for Tahsils and 18 for Districts (with subordinates)	73,000
TOTAL	93,000

Of the Inspectors, about twelve District Inspectors yet remain to be entertained; otherwise the expenditure is already almost entirely appropriated.

STAMPS.

13. *Revenue, 13,78—Expenditure, 36.*—The revenue is slightly progressive.

14. General stamps are sold by licensed vendors, whose general rate of discount is 3 per cent. at places where there are also official vendors and 5 per cent. where there are not.

15. On Court-fee labels no discount is allowed; the sales are made through the Treasurers, who are given allowances to enable them to provide vendors at places where the work is considerable.

The number of men so employed is—

		R
Nagpore	5 costing	90
Jubbulpore	2 „	40
Saugor	2 „	40
Raipur	1 „	25
Sambalpur	1 „	15
TOTAL		210 a month.

It is explained that it is impossible to do without these vendors by reason of the obligation to enface all Court-fee labels with certain particulars at the time of sale. The allowances are high compared with the North-West rate of R10 for such vendors, but the excess is considered the Treasurer's remuneration for the personal responsibility in respect of them. It is really an allowance in addition to the Treasurer's fixed pay, which is R50, except for four of the larger Treasuries, where R60 is given in three cases and R80 in one. The Treasurers are also allowed a Stamp Moharrir, except in two or three cases.

The Future Provincial Contract with the Central Provinces.

Excise.

16. We doubt if the cost of sale can be reduced so long as the present system is in force.

EXCISE.

17. *Revenue*.—25,00 was the Revised Estimate of 1885-86, and was taken Budget figure adopted for also for the Budget Estimate of 1886-87. The revenue is, however, fairly progressive; it reached 25,23 in 1885-86 and will no doubt show a certain increase in the Revised Estimate of 1886-87, which may warrant the adoption of a higher figure in the Contract.

18. The duty on spirits is levied in several ways. Wherever it is practicable the Sudder Distillery system is applied, there being thirty-six such distilleries. The duty is levied on the mohwa brought in for use, being generally 1½ annas a seer, which makes the charge about 12 annas a gallon. The area commanded by each distillery is parcelled out into small circles, in each of which the monopoly of vend is sold. The want of capitalists and the consequent necessity of small transactions is, throughout the Central Provinces, a leading feature in the regulation of the system.

19. In some cases the monopoly-vendors are allowed "Contract stills," all of which are at police outposts, so that no separate establishment is necessary. The distiller here pays R5 to 8 or 10 for each day he applies for entrance to work the still.

20. In outlying places, and on the borders of Native States, the out-still system prevails.

21. Opium is sold from the Treasuries at R22 per seer to the licensed vendors, who have purchased the monopoly of sale.

22. The cultivation of ganja is allowed in the Nimar District and in the Katol Sub-district of Nagpore. The cultivation is not taxed, but the cultivators are bound to bring the produce into two assigned depôts, where alone it may be sold to purchasers. These purchasers are licensed wholesale dealers (one for each district), who pay R2 for every seer they purchase. The monopoly of vend is sold to retail dealers, who purchase on their own terms from the wholesale vendors.

23. One noteworthy feature is that the cultivators are allowed to sell to traders for exportation from the Province, and that such sales are not in any way taxed; it seems doubtful if the law permits such taxation. The consequence is that large amounts of ganja are carried (under passes) into the North-Western Provinces, which up to the time of their entrance there have paid no duty whatever. Some is also exported to Bombay. The figures given us by the North-Western Provinces are, 1882-83, 383 maunds; 1883-84, 2,278 maunds; 1884-85, 1,698 maunds; 1885-86, 3,923 maunds. The variation in quantity appears to be due to circumstances affecting the amount of a limited cultivation. We suggest that arrangements should be made for treating this ganja for purposes of export in the same manner in which Bengal deals with the Rajshahye ganja, legislative provision being made, if necessary, for the change.

24. *Expenditure*.—The expenditure is mainly under the heads of District establishments, Petty Construction and Repairs (*i.e.*, Distilleries), and Rewards. In each district the Deputy Commissioner has a Darogha, whose business it is to watch the whole operations

The Future Provincial Contract with the Central Provinces.

Provincial Rates. Assessed Taxes. Forests.

of the district, and whose employment is necessary by reason of the large number of separate arrangements which are included in the area of each district. A moharrir and a menial servant for each district, and a moharrir for each of the thirty-six distilleries, nearly complete the Excise establishment.

25. There is a Superintendent of Stamps, Excise and Registration on R1,200 a month—charged two-thirds to this head and one-third to Registration. His establishment is on a very moderate scale.

PROVINCIAL RATES.

26. The figures have not varied very much from year to year, but the transfer of the Education Rate to Local Funds causes a difference in the distribution between Provincial and Local. The figures of the past years are as follows:—

	1882-83.	1883-84.	1884-85.	1885-86, Revised.	1886-87. Budget.
District Post	37	37	35	31	31
Famine Assurance	1,26	1,28	1,28	1,27	1,27
Education Provincial	1,31	1,36	1,12	3	3
„ Local . . . . .	...	...	18	1,29	1,28
					Total 1,61

See remarks under Education.

ASSESSED TAXES.

27. As in other Provinces, the revenue under this head will be known with sufficient accuracy only when the assessments are completed. The charges amount to R3,000 only.

FORESTS.

28. The Forest revenue in the Central Provinces is of a very stable character, being largely composed of grazing fees and other receipts of a petty character, but in such quantity as to make up a considerable amount on the whole. There is a steady progress in the revenue, which the Conservator places at R20,000 a year—apparently a moderate estimate.

29. The Budget Estimate of 1886-87 is, receipts 10,91 and expenditure 5,51, or a surplus of 5,40, being mainly based on the anticipations, in the Revised Estimate, of the actual outturn of 1885-86. The Actuals, however, are much better than the Revised Estimate, giving 10,37—4,44=5,93 against 10,02—1,70=5,32, though the year was not on the whole a favourable one. There seems therefore very little doubt that the actual outturn of 1886-87 will show a much better surplus than 5,40. Indeed the Conservator informs us that his estimate of expenditure is intended to include provision for expenditure which he may be called on to incur if any special demands are made upon him, but which, if he does incur it, will bring in more revenue than he has estimated. The present figures may therefore be expected to bear a considerable improvement, when the Revised Estimate of 1886-87 is made up.

The Future Provincial Contract with the Central Provinces.

Registration. General Administration.

30. We are informed that a large proposal for enhanced establishment is at present before the Chief Commissioner—a proposal which involves, within three years, an increase of Rs9,000 for four Sub-Assistants, and of Rs60,000 for subordinate establishments. Part of this has to do with more extensive revenue-protection, and may not be sanctioned; part of it is connected with the change of some of the forests from second class into first class reserves. The discussion of the matter by the Local Administration is not yet far enough advanced to enable us to say how much the plan will cost, or how much fresh revenue it may be expected to bring in.

31. The large number of petty transactions in the Central Provinces leads to rather strong establishments: and as the Conservator has nineteen divisions to deal with, and to receive accounts from, he has an Assistant Conservator at head-quarters.

REGISTRATION.

32. We propose to estimate for a surplus of 33 (73 — 40), instead of 30 only (73 — 43), on the ground that no explanation has been given of the increase from 40 to 43 in the Budget Estimate of expenditure. The differences are small and may await the consideration of the Revised Estimates of 1886-87. There are nine special Sub-Registrars, paid by salaries of Rs75 in one case (Nagpore) and of Rs30 in the others. Tahsildars are Sub-Registrars, and get a fee of five annas for each document. The District Registrar is the Senior Assistant Commissioner. There is an Inspector, under the Inspector-General, who gets a salary of Rs200 rising to Rs250.

GENERAL ADMINISTRATION.

33. There has been a slight rise in the expenditure under the head of General Administration, which is 3,59 now against 3,45 in the first year of the Contract. This is partly due to an increase in one Commissioner's salary, but mostly to establishments increased on account of the work in connection with Local Boards and for other reasons. Local Boards make a contribution of about Rs5,000 towards the expense of audit charged to Provincial under this head.

34. The establishment of the Secretariat is on a small scale. Including the establishment provided for the Director of Agriculture and Settlement (who is a Junior Secretary), the office contains a Superintendent on Rs450, nine clerks on salaries from Rs250 to Rs100, and fourteen on lower salaries.

35. The Chief Commissioner when he goes to Pachmarhi takes only his Secretary and one camp clerk. The cost of the journey is regulated by the ordinary travelling allowance rules; and halting allowances are admissible at daily rates for the first ten days of halt only. The visits of Heads of Departments to Pachmarhi are regulated in the same way, but such visits are exceptional. The Chief Commissioner does not himself draw the halting allowance admissible to him, and is willing that it should not be drawn by his Secretary and Departmental officers, except when they are called up by him for short business visits, not for temporary residence. The matter (a) will be noticed in our proposals regarding travelling allowances.

(a) Owing to the dissolution of the Committee, the matter was not finally disposed of by them.

The Future Provincial Contract with the Central Provinces.

Law and Justice—Courts.

LAW AND JUSTICE—COURTS.

36. *Expenditure.*—There has recently been a re-organisation of the Civil Courts, which has added slightly to the cost of Civil Justice. The inability of Deputy Commissioners to find time for a large amount of petty work which fell upon them under the old system, caused arrangements to be made for the transfer of that petty work to Assistant Commissioners; but as the law then stood, this could be done only by changing the entire status of the Assistant Commissioners' Courts, and this being done, the petty appellate work had to go up to the Commissioners instead of being disposed of by the Deputy Commissioners. The result was that though the Deputy Commissioners were relieved, the Commissioners were overburdened, and the arrears necessitated the appointment of an Additional Commissioner. A new law remedied this, and the Additional Commissioner was abolished in 1884, the difficulty being met by the creation of low-paid Courts, and by the better arrangement of jurisdictions. These now stand as follows:—

Original.—Thirty-two Naib-Tahsildars have powers up to ₹50.

Fifty Tahsildars and fourteen special "Additional Tahsildars," of whom thirteen were added in 1885, have powers up to ₹100 and ₹300.

Deputy Commissioner and Commissioner—The powers of these officers are without limit, and as any of the Deputy Commissioners' powers can be conferred on Assistant Commissioners, the same may be said of the last-mentioned grade.

First Appeal.—Suits under ₹1,000 to Deputy Commissioner, but this power again can be made over to a lower-paid official.

Above ₹1,000 to Commissioner.

From a Commissioner to the Judicial Commissioner; but as Commissioners do not, as a matter of fact, exercise their original powers, there has been no such appeal of late years.

37. This scheme seems extremely economical, and is based on the theory of employing cheap tribunals wherever the pettiness of the work renders it possible to do so. In this way, the re-organisation, so far as increase of establishment went, meant only some re-arrangements of jurisdictions, and only thirteen new Munsiffs or "Additional Tahsildars" were created, charged as "Civil Courts" and costing some ₹35,000 in salaries and ₹5,000 in establishment. Civil suits in the Central Provinces are mostly very petty, the statistics of 1885 being—

							Suits.
Not exceeding ₹ 100	.	.	.	.	.	.	92,323
Up to „ 500	.	.	.	.	.	.	10,440
Over „ 500	.	.	.	.	.	.	1,641
							<hr/> 104,904 <hr/>

38. This increase of ₹40,000 (against which there was the saving of an Additional Commissioner), and the half of the increase of ₹10,000 under Deputy Commissioners, are the only additions to the expenditure under this head during the period of the Contract. There are some further apparent

The Future Provincial Contract with the Central Provinces.

Law and Justice—Jails.

additions by the inclusion of copyists' establishments (about R17,000) and by increased process-serving establishments, but in both these cases the increase of receipts outweighs that of expenditure.

39. There are four Cantonment Magistrates, and in three of the cases the Chief Commissioner considers that the work might be more cheaply provided for. The Jubbulpore Cantonment Magistrates. duties are already arranged for, by the employment, with an additional allowance of R250, of the Superintendent of the Central Jail—an arrangement which might be made permanent; it would merely involve the selection, as at present, of a suitable officer of the Commission for the joint duties. For the Cantonment at Saugor the Chief Commissioner would provide by giving a small allowance to one of the military officers for cantonment duties, and by substituting an experienced for an inexperienced Assistant upon the general District Staff: the saving is reckoned at R3,000 a year. To Kamptee, the Chief Commissioner would attach an Assistant Commissioner permanently, in lieu of the present Cantonment Magistrate who is also Small Cause Court Judge; but for personal reasons this cannot be done at present, unless the incumbent, Colonel Miller, can be received back to military duty.

40. The remaining Cantonment Magistrate, at Asirgarh, must be retained. He is a military officer, who gets an allowance of R200 for Cantonment and for some other civil work.

41. There are Small Cause Courts at Nagpore and Jubbulpore. The Judicial Commissioner is of opinion that the Nagpore Small Cause Courts. one, with his Registrar, is required; but we have not as yet obtained statistics of the work, either there or at Jubbulpore. The Small Cause Court Judgeships are at present both filled by Natives who, though only officiating, draw the full pays of R1,000 and R800. The Cantonment Magistrate of Kamptee is also Small Cause Court Judge, and he has a Registrar who, in the opinion of the Judicial Commissioner, is not now necessary and may be abolished.

42. The arrangements just alluded to require some preliminary proceedings, and we do not therefore at present take them into account. Estimate of future expenditure. We deduct only the 22 mentioned in paragraph 10, and fix the estimate at 7,55.

43. *Receipts*.—The current year's estimate of 1,25 is accepted by the Local Government.

LAW AND JUSTICE—JAILS.

44. *Receipts* 3,01,—*Expenditure* 5,07,—according to Budget. We proposed here two reductions of the expenditure, namely, 20 on account of over-estimate of cost of supplies, and 27 under-estimate of the excess of receipts over expenditure on account of manufactures. The figures of manufactures stand as follows:—

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86, Revised.	1886-87, Budget.
Receipts	3,91	4,40	3,45	3,08	3,00	3,01
Expenditure	3,48	3,96	2,60	2,49	2,47	2,79
SURPLUS	43	44	85	59	53	22

The Future Provincial Contract with the Central Provinces.

Police.

The Inspector-General was not able to assign any particular reason why this large falling off in profits should be expected.

Increased profit probable.

We think he may be expected to find his actuals better than his estimates, and we give him credit for 27 more than he shows, that is, for an expenditure of 2,52 only against his receipts of 3,01.

45. Our other reduction seems doubtful, as the actual outturn of 1885-86

Supplies.

showed that the Inspector-General was right in considering that that year would show an enhancement of cost. It is, however, only partly due to higher prices, and to some extent represents higher stocks at the end of the year. In any case we let his figures stand until the Revised Estimate shows what he really is spending.

46. We considered the question whether any district jails could conveniently be closed, but with the long distances of the

District Jails.

Central Provinces, the expense of frequent journeyings of prisoners to other jails would swallow up any probable saving. The establishments of district jails are on a small scale, the Darogha being an officer on Rs5 or Rs10 only. Assistant Darogas exist at three places only.

47. The Central jails manufacture small dhurries for soldiers, which are

Sale of jail manufactures.

sold in large numbers to the Commissariat Department. They are, however, sold through middlemen contractors, and the Inspector-General has not been successful in attempting direct transactions.

48. The School of Industry has almost ceased to make any profit, partly

The School of Industry.

because machinery has enabled the tent-makers in the North-Western Provinces to compete at an advantage with its special industry, but mainly because the dwellers in the Thug village have almost all passed their threescore years and ten.

POLICE.

49. *Expenditure.*—The Budget under this head is 13,51, but examination in

Over-estimate in Budget.

detail shows that this is probably an over-estimate by 15. The 13,51 includes 12,70 on account of the District force, of which we have the following figures :—

Actuals, 1884-85	. . . . .	12,46
Revised, 1885-86	. . . . .	12,70
Actuals, 1885-86	. . . . .	Less by about 18.
Budget, 1886-87	. . . . .	12,70 (repeats Revised).

Now in the first place there is no real increase over the scale of 1884-85, except about Rs500 for certain Police guards, who now take the place of Military guards withdrawn on the reduction of the Military force, and Rs3,000 for operations against Tantia Bhil. Moreover, clothing is certainly over-estimated at Rs49,700 (Rs6 per head), the average expenditure for five years being Rs39,000 (the large figures of 1884-85 and 1885-86 being due to large purchases of greatcoats which last five years, and which purchases happen to be so arranged that the expenditure falls mainly upon two years out of every five).

50. The charge for Superintendence is comparatively small, as a single officer

Superintendence.

on Rs1,800 a month is Inspector-General of Jails and of Police, though charged entirely to Police.

The Future Provincial Contract with the Central Provinces.

Police.

51. The charge for the District force has been somewhat enhanced during the five years of the Contract, the figures from 1881-82 being 10,69; 11,79; 12,34; 12,46; 12,70 (Revised, 1885-86). Of this increase about 30 is due to certain improvements in pay in 1884, and 1,11 is due to transfer of Municipal Police charges.

52. As regards the latter, the Chief Commissioner obtained the assent of the Government of India to refrain from demanding any equivalent in the case of the smaller Municipalities, merely hoping they would increase their Educational and Medical expenditure. There remained the seven larger ones which had received ₹73,000 out of the ₹1,11,000 of relief; and even of these, the five chief ones were for the most part relieved of the obligation (see C. C.'s Circular VI of 16th April 1882), because they were either in debt on account of, or accumulating funds for, water-supply schemes. Against the whole amount the Municipalities have relieved the Government of only ₹23,000, namely, payments to Police for conservancy supervision, ₹10,000; medicines for dispensaries, ₹3,000; contributions to schools, ₹10,000. And the first of these reliefs the Municipalities are now to some extent withdrawing, by insisting upon appointing their own petty establishments to do the supervising work that the Police can practically do without increase of cost.

53. It would seem that the Local Administration should reconsider the question of possible reduction of the burden upon Provincial funds, on account of Municipal Police, or on account of schools and dispensaries in Municipal limits.

54. The increase of pay in 1884, referred to in paragraph 51, affected mainly the Chief and Head Constables, and was procured partly by a reduction in the number of Inspectors. We cannot say that we think the scale of pay too high, Chief Constables in charge of stations (at Tahsils) getting ₹40 to ₹80, and Head Constables in charge of outposts getting ₹9 to ₹20.

55. The number of Mounted Police has been greatly reduced (though not recently), and does not seem more than sufficient for patrolling duties, and for escort, &c., of high officers in camp. The number was 363 in 1869, reduced to 264 in 1871, and to 192 in 1881.

56. The Inspector-General recommends some economies in the matter of travelling allowances. First, a few selected Inspectors now get the rank of Assistant Superintendents (B. Class), but this is honorary only, as their work remains the same as that of other Inspectors. The Inspector-General does not think it necessary that they should get travelling allowance on any scale above that of Inspector; and this was probably not intended. The option to subordinate police officers of exchanging daily rates, under certain circumstances, for road mileage, and the grant of double railway fare to them and to Constables, he considers, leads to abuse. We have suggested elsewhere (a) that the Travelling Allowance Code should prescribe a *bonâ fide* journey of twenty miles as the minimum limit for the exchange, by higher officers, of the daily for the mileage rate.

(a) Vide paragraph 25 of Chapter XII of Volume II.

The Future Provincial Contract with the Central Provinces.

Education.

EDUCATION.

57. The following figures show the results of past years :—

Past expenditure.		1882-83.	1883-84.	1884-85.	1885-86, Revised.	1886-87, Budget.
<i>Provincial.</i>						
Education Cess . . .		1,31	1,36	1,12	3	3
„ Receipts . . .		1,03	1,09	1,05	1,39	1,38
„ Expenditure . . .		5,72	5,78	5,72	4,66	4,96
Net Expenditure . . .		3,35	3,33	3,55	3,24	3,55
<i>Local.</i>						
Education Cess . . .		...	...	18	1,28	1,28
„ Receipts . . .		...	...	2	6	7
„ Expenditure . . .		2	2	26	1,54	2,00
Net Expenditure . . .		2	2	6	20	65

58. The first noticeable feature in these statistics is the transfer of the Primary Schools in 1885 to the Local Councils. To meet the charges, the Education Cess was also transferred to them, but as the expenditure somewhat exceeded its amount, provision was also made for a contribution from Provincial funds, which will be noted under "Contributions." There are about 1,854 schools of this class.

59. The expenditure on Secondary Schools is all Government expenditure, but contributions towards it are received from Municipalities, sixty out of sixty-three schools being within Municipalities. These contributions are increasing, as Municipalities are induced to take an active interest in the schools. Besides direct expenditure, the Municipal contributions have amounted from 1883-84 to ₹37,472, ₹45,747, and ₹49,234; and the Budget Estimate for 1886-87 is ₹61,875. The greater part of this represents relief given to Provincial Funds, but part of it represents charges arising in consequence of the addition of higher classes to existing schools.

60. The School fees vary according to the ability of the parent, and the general scale has recently been raised. The highest pay drawn by any master is ₹200 a month.

61. There are three High Schools for the Province, and three Colleges; namely, two aided Colleges at Nagpore (₹156 and ₹100 respectively per mensem) and a Government College at Jubbulpore, which has one Principal and four Professors, one of these last being also Superintendent of the High School. The Jubbulpore College is required for the Urdu-speaking races, as the Nagpore Colleges are for the Mahratta races. It has just been erected with aid of large contributions from the community, and

The Future Provincial Contract with the Central Provinces.

Medical.

it is perhaps too soon to raise the question of its being turned into an aided institution.

62. There are three Inspectors on the graded list, and for Primary Education there are District Inspectors,—one for each district except Raipur, which has two. We consider that the arrangements are all on a very economical scale, except the three “graded” Inspectors, for whom, in time, Natives will be substituted.

63. The Estimate of Provincial Educational expenditure is certainly overdrawn at 4,96; but the Inspector-General informs us that he has taken full sanctioned scale, and expects considerable savings. The actual expenditure of 1885-86 was only 4,38 against a Revised Estimate of 4,66, and as the Inspector-General informs us that the only increase he expects is about Rs15,000, and that even that will be covered by new receipts, we are apparently safe in reducing the estimate of expenditure from 4,96 to 4,66.

MEDICAL.

64. All Hospitals and Dispensaries in the Central Provinces, except six (of which one only, Pachmarhi, is within Municipal limits), have been made over to Municipal and District Funds. The Government supplies the Assistant Surgeons or Native Doctors (about 140 in the whole Province) and pays their travelling allowances, but all other expenditure is met by the Local and Municipal Funds. The Government share of the expenditure is probably in most Dispensaries much the larger, but we understand that the Chief Commissioner is ready to consider the question of throwing part of it on the Local bodies.

65. Nine of the Municipalities bear the whole of their Vaccination charges; the others do not at present bear any, but will have to bear any increase required for the work within their limits. Apart from this, Vaccination, including one Superintendent for each district (average pay about Rs30) with about ten Vaccinators on the average, is a Local charge. The vaccination is supervised by the Civil Surgeons.

66. Jubbulpore affords a prominent instance of the growth of Civil Surgeons' allowances. The station itself is certainly not so large as many stations in the North-Western Provinces, where a Civil Surgeon easily does all the work; but the Civil Surgeon of Jubbulpore has an Apothecary Assistant to help him by taking the work of attending on the Government establishments, and besides his salary he receives the following allowances:—

	R
Charge of Lunatic Asylum	250
Medical charge of Central Jail	100
“ ” of School of Industry	50
Oomaria Coal-field	100
Meteorological Observations	30

— Rs30

The propriety of including some of these functions in the Medical Officer's salary proper might be considered, as soon at least as the present incumbent, who has been for twenty years resident in Jubbulpore, leaves. Besides the Civil Surgeon's Assistant, there are in Jubbulpore a Hospital Assistant for the School of Industry and two Assistants for the Hospital and Dispensaries.

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Scientific and Minor Departments. Stationery and Printing. Miscellaneous.

67. The offices of Surgeon-General and Sanitary Commissioner are combined in one individual (a Deputy Surgeon-General), and the Chief Commissioner informed us that in his opinion it would be possible to arrange for the work even without such an officer. That is, if he had the choice, he would otherwise spend the money appropriated to this officer's salary.

68. There is now no Medical School in the Central Provinces, lads being sent to the School at Patna, and maintained there by stipends paid by the Chief Commissioner.

69. The Budget Estimate of Medical expenditure is 2,83, but this provides for a considerable increase over the recent scale of expenditure, and it seems doubtful if it will be reached. Pending experience of the actual expenditure, we allow only half the increase and reduce the figure to 2,76.

70. We are informed that in consequence of arrangements made in April 1885, the medical expenditure of Municipalities has increased by some thousands of rupees, though that increase has not come in in relief of any Provincial expenditure.

SCIENTIFIC AND MINOR DEPARTMENTS.

71. The provision made under the head of the Agricultural Department includes Rs16,800 (besides travelling allowance) on account of the Director of Agriculture, which appointment has been amalgamated with, and provided for, under the designation of Settlement Commissioner. Certain personal reasons may cause some expenditure under this head to occur next cold weather, but the amalgamation will be complete before next Contract, and, including allowances, 18 may be reduced from the estimate.

72. We are not disposed, after enquiry, to criticise the small expenditure on Museums, Experimental Farms (of which the area has been considerably reduced of recent years) and Gardens. The expenditure is in many cases useful, and in none extravagant.

STATIONERY AND PRINTING.

73. The expenditure under these heads is in our opinion economically arranged and controlled. Jail labour is largely used for Vernacular form printing, and it is in contemplation to extend its use. There is what would appear a rather useless debit and credit to this head on account of the employment of jails for printing. We have reduced 3 in the Estimate for printing, as we find that it includes a rather high provision for new material which will not recur.

MISCELLANEOUS.

74. We have no remark to make on the Miscellaneous expenditure. The recent increase of the charge for Petty Establishments represents merely part of a new distribution of expenditure between Local and Provincial.

The Future Provincial Contract with the Central Provinces.

Transfers between Provincial and Local. Public Works.

TRANSFERS BETWEEN PROVINCIAL AND LOCAL.

75. From April 1885 the distribution between Provincial and Local of the expenditure under certain heads was modified, the following being the details :—

	Provincial, better.	Local, better.
Educational expenditure transferred to Local Net	44	...
Pounds transferred from Local to Provincial	24	...
Dispensaries 12, and Vaccination 14, transferred to Local	26	...
Former Dispensary contribution from Local abolished . . . . .	...	11
Expenditure on Dāk Bungalows 7, and Station gardens 11, taken over by Provincial . . . . .	...	18
Pachmarhi expenditure, undertaken by Provincial . . . . .	..	1
TOTAL	94	30

76. This made a difference of R64,000, which amount the Chief Commissioner undertook to contribute to Local—but only in case the contributions were found to be really required. The Local Funds had been for the most part spending within their income, and the amount of contribution actually made last year was only R7,400 to Chānda and R1,800 to Saugor. Although the Estimates provide for the full R64,000 of contributions in 1886-87, it is certain that nothing like the full amount will be required; in fact, what will be required, will be mainly in consequence of the Chief Commissioner urging the Boards to higher expenditure upon roads.

77. So far as we can estimate, R30,000 seems a sufficient allowance to make for the demand upon the Provincial Government in respect of Local Funds, which, as just remarked, may be considered due to enhanced expenditure upon roads.

PUBLIC WORKS.

RAILWAYS.

78. The receipts and expenditure of the Nagpore-Chattisgarh Railway are only estimated *pro forma*, as the Railway will in future come into the Imperial account. The Budget Estimates are Receipts 15,00, Maintenance 10,40, and interest 4,14: Net return 46. This is a low figure, and is largely due to the fact that heavy renewals and improvements are being made, which probably add about a lakh at present to the normal expenditure. This will go on for some time yet. But it is worthy of note that, on taking over the Railway at this valuation (15,00 Receipts, 14,54 Expenditure) the Imperial Government practically obtains a benefit of about a lakh of rupees; in other words, they will be able, by the benefit obtained from the revision of the Contract, to meet an outlay of a lakh of rupees a year on the improvement of the Railway, without trenching upon other sources.

The Future Provincial Contract with the Central Provinces.

Inter-provincial Adjustments. Conclusion.

CIVIL WORKS.

79. The expenditure upon Civil Works, during the term of the current Contract, has been—

	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.
Original Works	3,85	3,88	5,52	5,17	5,61
Repairs	3,92	3,78	5,53	4,93	5,46
Establishment	2,19	2,53	2,78	2,00	3,50
Civil Officers	6	10	12	10	13
Other Charges	5	17	22	19	25
TOTAL	10,07	10,46	14,17	13,29	14,95

80. Allowing 3,00 for establishment and 4,75 for Repairs, we get an obligatory expenditure of about 8,00, without reckoning new works. We think it should be easy to keep the expenditure within this amount; though the very large area, and the comparatively simple nature of the works, render the highly paid organisation of the Public Works Department a rather heavy burden upon the Province. The heavy charge for establishment in the Estimates for 1886-87 does not appear to be properly justified.

81. It is for the Government of India to decide to what figure the expenditure upon original works may be reduced. On the one side there are the demands of an undeveloped Province, and on the other financial exigencies. We reckon for the present an amount of 2,00, considering that the Local Government may be able to supplement it from its accumulated balances, which are likely, as at present estimated, to be fourteen lakhs when the new quinquennial period begins,—that is, six lakhs in excess of the prescribed minimum of eight lakhs.

INTER-PROVINCIAL ADJUSTMENTS.

82. The only inter-provincial adjustment of which it is necessary to take note is that for Sháhjahánpur rum, which is imported after paying duty in the North-Western Provinces. The amount of that adjustment is, for the half-share duty, Rs5,000. The ordinary account adjustments will continue to be made on account of expenditure incurred by other Provinces for the Central Provinces, or *vice versa*; but as the amounts of which these are the adjustments are taken in the Estimates of the Provinces on account of which the payments have to be made, the adjustments, though they enter the accounts, are necessarily omitted in the Estimates.

CONCLUSION.

83. The result of our Estimates is that the future revenue and expenditure of the Provincial Government will stand at 80,66 and 78,81 respectively, so that there is a surplus of 1,85 (which may not unlikely be somewhat increased on the Revised Estimate). This surplus it is open to the Imperial Government to resume, by reduction of the Provincial share of Land Revenue or otherwise, and this 1,85 is the measure of the gain to Imperial by the revision of the Contract.

The Future Provincial Contract with the Central Provinces.

Conclusion.

84. We append, in the final columns of the annexed statements, a calculation showing how the same estimated revenue and expenditure would be divided, under the scheme of assignment laid down in Financial Department letter No. 2187 of July 26th, 1886, modified as proposed in paragraph 9 with respect to the expenditure on Survey and Settlement operations. The Provincial Government would require a grant of 13,64 in excess of the quarter share of Land Revenue, to place it in equilibrium under this new scheme. The gain to Imperial is of course the same as before, namely, 1,85, as compared with the existing Contract.

POONA,

The 15th September 1886.

The Futuro Provincial Contract with the Central Provinces.

A.—STATEMENT OF REVENUE.

	BUDGET ESTIMATE of 1886-87.		ESTIMATES NOW ADOPTED.		
	Total.	Provincial share.	Total.	Provincial share as at present.	Provincial share as proposed.
1	2	3	4	5	6
Civil Heads.					
Land Revenue	61,15	30,09	61,18	30,10	15,29(a)
Stamps	13,78	6,89	13,78	6,89	10,33
Excise	25,00	12,50	25,00	12,50	6,25
Provincial Rates	1,64	1,64	1,64	1,64	1,64
Assessed Taxes	3,84	1,22	3,84	1,22	1,92
Forests	10,94	5,47	10,94	5,47	5,47
Registration	73	37	73	36	36
TOTAL REVENUE HEADS	1,17,08	58,18	1,17,11	58,18	41,26
Interest	3	3	3	3	3
Law and Justice, Courts	1,25	1,25	1,25	1,25	1,25
" Jails	3,01	3,01	3,01	3,01	3,01
Police	52	52	52	52	52
Education	1,38	1,38	1,38	1,38	1,38
Medical	4	4	4	4	4
Scientific and Minor Departments	12	12	12	12	12
TOTAL CIVIL DEPARTMENTS	6,32	6,32	6,32	6,32	6,32
Superannuations (Provincial)	8	8	8	8	8
Stationery	22	22	22	22	22
Miscellaneous (Provincial)	21	21	21	21	21
TOTAL MISCELLANEOUS	51	51	51	51	51
Total Civil Heads	1,23,94	65,04	1,23,97	65,04	48,12
Public Works.					
Railways	15,00	15,00	15,00	15,00	...
Civil Works	57	57	57	57	57
Total Public Works	15,57	15,57	15,57	15,57	57
TOTAL REVENUE	1,39,51	80,61	1,39,54	80,61	48,69
Adjustments—					
Sháhjahánpur Rum . . . . .	...	5	...	5	2
Other Inter-provincial adjustments . . . . .	...	—27	...	...	...
TOTAL RESOURCES	1,39,51	80,39	1,39,54	80,66	48,71

(a) The Government of India letter No. 2187, dated July 26th, 1886, proposes the assignment of a fixed sum *plus* a quarter of the increase. We adopt in this statement the somewhat more convenient, but equivalent, course of assigning one quarter of the whole, *plus* a fixed sum.

The Future Provincial Contract with the Central Provinces.

B.—STATEMENT OF EXPENDITURE.

	BUDGET ESTIMATE OF 1886-87.		ESTIMATES NOW ADOPTED.		
	Total.	Provincial share.	Total.	Provincial share as at present.	Provincial share as proposed.
1	2	3	4	5	6
Civil Heads.					
Refunds, Land Revenue	6	3	(a) 12	6	3
„ Divided Heads	18	9	18	9	12
Land Revenue—					
Survey and Settlement	3,75	1,84	3,75	1,84	...
Collectors' Establishments	7,50	7,50	7,28	7,28	7,28
Other Heads	4	4	4	4	4
Stamps	36	18	36	18	27
Excise	70	35	70	35	18
Assessed Taxes	3	1	3	1	1
Forests	5,54	2,77	5,54	2,77	2,77
Registration	43	22	40	20	20
TOTAL REVENUE HEADS	18,59	13,03	18,40	12,82	10,90
Administration (excluding Account Office)	3,59	3,59	3,59	3,59	3,59
Law and Justice, Courts	7,77	7,77	7,55	7,55	7,55
„ „ Jails	5,07	5,07	4,80	4,80	4,80
Police	13,51	13,48	13,36	13,33	13,33
Education	4,96	4,96	4,66	4,66	4,66
Medical	2,83	2,83	2,76	2,76	2,76
Scientific and Minor Departments	73	73	55	55	55
TOTAL CIVIL DEPARTMENTS	38,46	38,43	37,27	37,24	37,24
Superannuations (Provincial)	1,45	1,45	1,45	1,45	1,45
Stationery	1,47	1,47	1,44	1,44	1,44
Miscellaneous (Provincial)	53	53	53	53	53
TOTAL MISCELLANEOUS	3,45	3,45	3,42	3,42	3,42
Post Office	49	49	49	49	49
Total Civil Heads	60,99	55,40	59,58	53,97	52,05
Public Works.					
Railways—Working	10,40	10,40	10,40	10,40	...
Interest	4,14	4,14	4,14	4,14	...
TOTAL RAILWAYS	14,54	14,54	14,54	14,54	...
Civil Works—					
Original Works	5,61	5,61	2,00	2,00	2,00
Repairs	5,46	5,46	4,75	4,75	4,75
Establishment	3,50	3,50	3,00	3,00	3,00
Civil Officers	13	13	25	25	25
Other charges	25	25			
TOTAL CIVIL WORKS	14,95	14,95	19,00	10,00	10,00
Total Public Works	29,49	29,49	24,54	24,54	10,00
Total Civil Heads and Public Works	90,48	84,89	84,12	78,51	62,05
Contributions to Local (net)	77	77	30	30	30
GRAND TOTAL OF EXPENDITURE	91,25	85,66	84,42	78,81	62,35

(a) Taken at the average of past years.

The Future Provincial Contract with Bombay.

Preliminary.

CHAPTER VI.

THE FUTURE PROVINCIAL CONTRACT WITH BOMBAY.

[Figures entered thus,—2,08—without designation, mean thousands of rupees.]

PRELIMINARY.

In Appendix No. IV to this Volume will be found a detailed account of the working of the Provincial Contract during the last five years. The Contract was certainly, as compared with that of the other large Governments, exceptionally favourable to the Provincial Government. It was a continuation of the Contract of 1877-78, without any reduction of allotment, whereas Bengal gave up twenty-four, and the North-Western Provinces fourteen, lakhs a year; and it started with an initial surplus of assigned revenues over assigned expenditure of 6,84, which was larger than that of any other Government. It allowed the Provincial Government a sixty per cent. share of the Land Revenue, whereas the other large Governments got only from twenty-five to thirty per cent.,—an advantage which became extremely valuable, as the Land Revenue almost immediately increased by many lakhs above the standard on which the Contract was based.

2. The following abstract sets forth, in a single view, the result of the five years, omitting all reference to the book credits and debits which enter the accounts on both sides and to the assignment made for special Land Revenue refunds and the charges made against it:—

	REVENUE.				EXPENDITURE.			
	Civil.		Ordinary Public Works.	Total.	Civil.	Public Works.		Total.
	Principal Revenue Heads	Other Depart- ments.				Ordinary.	Capital Expendi- ture.	
1	2	3	4	5	6	7	8	9
Average Assignment	2,57,68	20,05	6,31	2,83,91	2,47,53	29,57	...	2,77,10
1882-83	2,58,03	17,32	7,16	2,82,51	2,47,91	31,87	...	2,82,78
1883-84	2,81,02	17,97	7,10	3,06,09	2,56,28	36,91	...	2,93,22
1884-85	2,76,92	17,95	8,17	3,03,01	2,60,71	42,01	22	3,02,91
1885-86 (Revised)	2,96,63	20,11	7,99	3,24,73	2,72,69	35,51	10	3,08,30
1886-87 (Budget)	2,87,84	20,68	7,53	3,16,05	2,77,72	46,09	36	3,25,07
Total five years	14,00,44	94,03	37,95	15,32,42	13,15,31	1,96,32	68	15,12,31
Five times average Assignment	12,87,90	1,00,25	31,55	14,19,70	12,37,65	1,47,85	...	13,85,50

N.B.—For an explanation of the method by which the above figures are arrived at see paragraph 10 of Chapter II, page 14.

The revenue of the five years exceeded the assignment by 113 lakhs of rupees. Of this 40 lakhs are due to Land Revenue, as a large extent of the Province came under re-settlement during the period. Excise produced as much, and Forests 26 lakhs. The expenditure exceeded the assignment by 127 lakhs. Of this increase 78 lakhs took place under Civil Heads and 48 are due to more liberal expenditure on Public Works. In the current year provision has been

The Future Provincial Contract with Bombay.

Land Revenue.

made for still larger outlay, and the Budget of the year brings out a deficit of 9 lakhs.

3. The total revenue of the five years was 15,32,42; the total expenditure 15,12,31. Thus there was a surplus of 20, and the Provincial balance, which at starting was 32 lakhs, is now estimated to be 52 lakhs at the end of the Contract. But as 20 lakhs have been given up to Imperial in the estimates of 1886-87, it will be reduced again to the 32, lakhs,—that is, to 12 lakhs above the prescribed minimum.

4. Thus the Province has, throughout the term of the Contract, enjoyed uninterrupted financial prosperity, and has much more been in the position of seeking how to spend its increasing revenues with advantage, than of casting about for money to meet urgent administrative demands.

5. In considering our proposals for the future Contract, we have principally been guided by the Budget Estimates of 1886-87. But as the Bombay Government is, more than any other, given to providing considerable margins in its estimates, we have, in many instances in which the Budget Estimates were much in excess, on the expenditure side, of the actuals of 1885-86, used the figures of that year to a large extent as a corrective. When the Budget figures of 1886-87 are accepted without any addition or deduction on account of the difference between 1886-87 and 1885-86 or of any exceptional items found in them, it is to be understood that the Revised Estimate of 1886-87, when made up, should be substituted for the Budget Estimate in framing the actual Contract.

6. We were joined in Bombay and Poona by the two members appointed by the Local Government, Messrs. Forbes Adam and Lee-Warner, and were greatly benefited by the local knowledge they brought to bear on the subject and by the general assistance they gave us. We had not the advantage of discussing our proposals in conference with His Excellency the Governor in Council; as the Local Government preferred to receive them in writing and to draw up its reply in writing after further deliberation. In submitting our proposals, therefore, to the Government of India, we have done so without knowing what objections the highest Provincial authorities may have to urge against them; but we have kept them cognisant in a general way of our proceedings, and we make this observation, not because we expect our proposals to be entirely unacceptable to the Government of Bombay, but only to intimate that they have not yet been formally considered by it.

LAND REVENUE.

7. *Revenue.*—The total receipts of Land Revenue (including the amount due to Irrigation) have been as follows:—

1880-81	3,76,37	1883-84	3,99,67
1881-82	3,88,19	1884-85	3,90,45
1882-83	3,72,84	1885-86 (Revised)	4,15,76

8. The explanations given in proposing the Budget Estimate for 1886-87 show that there were some eleven lakhs more than usual of arrears carried from 1884-85 to 1885-86, and if we transfer this eleven lakhs from the figures of 1885-86 to those of 1884-85, we get for the figures of the last three years, 3,99,67; 4,01,45; 4,04,76. This last

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Land Revenue.

figure again agrees closely with the Budget Estimate for 1886-87, namely, 4,04,36, which naturally expresses the probable realisable demand for one year.

9. The actual collections of 1885-86, as reported to us, are largely in excess of the Revised Estimate, but it is probable that this merely arises from early collections of amounts that would otherwise come into 1886-87; if so, short collections will follow in 1886-87.

Details of collections.

10. The details of the collections of the three financial years 1883-84 to 1885-86 are as follows:—

	1883-84.	1884-85.	1885-86 (Revised).	1886-87 (Budget).
Ordinary Revenue, including amount due to irrigation and Sind Village-cess (b)	3,18,24	3,04,81	3,31,13	3,20,76
Miscellaneous Revenue	12,41	11,18	10,26	9,21
Local Revenue	1,38	1,09	1,10	(b) 1,12
Total actual Revenue	3,32,03	3,17,08	3,42,49	3,31,09
Alienated Revenue (nominal)	67,64	(a) 73,37	73,27	73,27

(a) The greater part of the increase from 67,64 to 73,37 took place in Sind and appears to have come in by addition of new entries on both sides of the account.

(b) The Sind Village-cess was shown as local in the Budget of 1886-87.

11. The Revenue Department keeps its accounts by the Revenue year ending July 31, but its statistics enable us to calculate the realisable demand as follows (Administration Report for 1884-85):—

1884-85.	Bombay Proper.	Sind.	Total.
Khálsa Lands	2,34,22	52,42	2,86,64
Quit Rents	31,40	23	31,63
Other Miscellaneous heads	8,60	2,21	10,81
Total creditable to Land Revenue	2,74,22	54,86	3,29,08
<i>Add—</i>			
Irrigation creditable to Public Works Department	1,50	47	1,97
Alienated Land Revenue	63,74	9,64	73,38
TOTAL DEMAND	3,39,46	64,97	4,04,43

Now the amount remitted in 1883-84 was 3,93 and in 1884-85 was 3,35; and taking the largest of these figures, we get the net realisable demand at 3,29,08 — 3,93 = 3,25,15.

12. A statement prepared for us by the Settlement Commissioner gives the following as the probable demand in the Presidency proper, excluding alienations:—

1884-85 (As above)	2,74,22	1888-89	2,83,55
1885-86	2,75,69	1889-90	2,85,54
1886-87	2,78,50	1890-91	2,86,18
1887-88	2,80,60	1891-92	2,87,66

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Land Revenue.

13. This gives an increase of demand, for 1886-87, of 4,28 over the demand for 1884-85. The precise figures for Sind for the years 1885-86 and 1886-87 are not available, but from the information given us for other periods, it appears that the increase in Sind is over half a lakh a year. So that we obtain, beginning from 1886-87, a better position, by at least five lakhs, than that shown above for 1883-84 and 1884-85, and may place the realisable demand at $3,25,15 + 5,00 = 3,30,15$.

14. We have, therefore, by a forecast based upon the Budget of 1886-87, which ordinarily represents the actual realisations, and Estimate adopted for the future, agrees closely with the average collections of the three preceding years, an estimate of 3,31,09, and by a forecast based on the figures of the Revenue Department, 3,30,15. The former does not appear to be too high as it takes the Miscellaneous Revenue at 9,21, while it has never recently been less than 10,26. So that it appears on the whole that we may take 3,31,00 as the existing standard of revenue, of which over one lakh of rupees is shown as Local in paragraph 10, and 1,96 is on account of the Sind Village Cess which is now transferred to Local. We therefore take 3,28,00 as divisible and 3,00 as Local(a). The 73,27 due to alienations is a nominal entry and is met by nominal charges,—9,17 under Land Revenue, 59,29 under Assignments, and 4,81 under Police.

15. *Expenditure.*—The expenditure on Collectors and their establishments in 1884-85 and 1885-86 was 29,71 and 29,64. For 1886-87 an estimate of 30,07 is made, the excess arising mainly from taking a full estimate for the “Supernumerary Assistants,” of whom, as a matter of fact, many are absorbed by officiating appointments. There are also large excesses of estimate under contingencies of different descriptions,—that is, the estimates are higher than the existing scale of expenditure; so that we consider that 29,70 is enough to provide under this head.

16. We have, with reference to this head, to propose the amalgamation of the two appointments of Collector of Bombay and of Collector of Customs. It seems to be admitted that the personal duties of these two officers are not greater than one man can easily perform. The question of amalgamation was last considered in 1882, and though it was not then approved, the reasons against it seem to us far from conclusive. The difficulty of the Collector’s supervising the work of establishments at two places—the Customs House and the Collectorate—appeared to be considerable when there was a proposal to move the Customs House to the Prince’s Dock; but this project has since been abandoned.

17. It will probably be necessary to give the Collector, in the combined appointments, an additional Covenanted Assistant of the R700 grade, which will add R200 a month (or R2,400 a year) to the present scale of expenditure (the number of supernumeraries being at present such as easily to afford a reduction by one). The present Collector, for personal reasons, gets the full pay of R2,500 a month, and the saving to be effected on the present estimates is therefore R2,300 a month, or R27,600 a year.

(a) These figures and those in paragraph 10 and others dependent on them in the concluding paragraphs and in the annexed statement A have been altered since our original Note was written, in consequence of its being pointed out by the Government of Bombay that the Sind Village Cess had been included in the Provincial Land Revenue in previous years and not only in 1886-87.

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Land Revenue.

18. We should probably take the appointment as distributed in equal shares between Land Revenue and Customs, and we get the following estimates:—

	Land Revenue.	Customs.
	R	R
<i>Present Estimate.</i>		
Collector	30,000	24,000
<i>Future Estimate.</i>		
Collector @ 2,000	12,000	12,000
Additional provision for Assistant	1,200	1,200
Total	13,200	13,200
Saving	16,800	10,800

19. We may therefore take 29,70—17, or 29,53, as the estimate of expenditure under this head. It includes over 20, on account of moiety of compensation allowances to Civil Servants,—a charge which, it may reasonably be hoped, will not be of long duration.

Survey and Settlement. 20. The expenditure in recent years on Survey and Settlement has been—

	1883-84.	1884-85.	1885-86.	1886-87, Budget.
Survey	6,36	0,72	6,84	0,00
Settlement	3,15	2,42	2,68	2,00
Total	9,51	9,14	9,52	2,00

21. There are two entirely distinct Departments—one for Bombay proper and one for Sind; and it would appear that, speaking broadly, the "Survey" of the accounts represents the first of these, and the "Settlement" of the accounts the latter.

22. It would appear that the scale of operations has been somewhat diminishing. The Settlement Commissioner (Bombay proper) informs us that the cost of his Department, though sanctioned at 7,04, will really not exceed 6,50, the estimated increase of revenue during the five years of the Contract being 2,12; 2,95; 1,99; 63; and 1,48.

23. The amount given us as the cost of the Sind survey is 1,78 a year, and the increases of revenue in the same way are 68, 58, 27, 62, and 49. The Department, however, does not seem to be aware of the actual charges brought to account, and pending explanations, which we have called for, we take the estimate at what appears to be a much more probable figure, viz., 2,30.

24. The work of both these Departments will continue on the full scale, or nearly so, for the next five years,—arrangements being made for the Agricultural Department to step in as the Settlement Departments complete district after district.

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Salt. Stamps.

25. Included in the 8,80(a) which we thus provide for the two Departments there is a charge of ₹3,600, on account of the Talukdāri Settlement Officer. This officer and his establishment are for the most part paid from the revenues of the estates they administer, but as the officer himself is partly engaged in Government work also, ₹300 per mensem of his pay is contributed by the Government.

26. Of the amount chargeable under the head of Village Officers, 9,17 is paid by credit to Land Revenue, being part of the 73,27 Alienations. Besides these, there are two heads as follows :—

	1883-84.	1884-85.	1885-86, Revised.	1886-87, Budget.
Wataundārs	12,64	12,88	11,76	11,76
Village expenses	5,44	5,31	6,49	6,49
TOTAL	18,08	18,19	18,25	18,25

It would appear, therefore, that $9,17 + 18,25 = 27,42$ is a proper provision to make.

SALT.

27. *Revenue.*—The Budget Estimate of Miscellaneous revenue which alone is Provincial is 37, and has been taken for the future Contract. The only item included in this sum which requires notice is the sum of ₹3,500 contributed by owners of Salt Works towards the cost of the Government establishments maintained at the works. As the establishments will, in future, be charged to Imperial in accordance with the Government of India letter No. 2187, dated 26th July 1886, it may seem that this contribution should be credited to Imperial. It seems better, however, to maintain the Provincial interest in the continued collection of this contribution, the remission of which was once before recommended by the Collector of Salt Revenue, but not approved by Government. There is a similar contribution of ₹10,000 from Port Funds which for the same reason may be retained as Provincial.

28. *Expenditure.*—The expenditure will, in future, be for the most part Imperial and has therefore been separately dealt(b) with. For present purposes it may be taken at the figure shown in the actuals of 1885-86, viz., 9,12. We have not clearly ascertained if there are any establishments connected with the realisation of the part of the revenue credited to Provincial, either collecting establishments or warehouse establishments; but if there are any such, an assignment will have to be made in the future Contract to cover their cost.

STAMPS.

29. *Revenue.*—On the revenue side the Provincial Estimate is a high one, 45,50, having been raised nearly one and a half lakhs above the Budget Estimate of 1885-86 for special reasons. The actuals of 1884-85 and 1885-86 were 44,64 and 44,31; and we think it safest to take the average of these three figures or 44,80.

(a) We ascertained afterwards that we had not received correct information on this subject, and the question of the proper allotment to be made for Survey and Settlement operations in Bombay and Sind was further examined in a paper which is reprinted as Appendix A to this chapter.

(b) Vide Volume II, Chapter III, Section B.

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Stamps.

30. *Expenditure.*—The expenditure comes under three principal heads—
 Inspection, Establishment for sale of stamps, and Dis-
 count on sales. The Inspector-General of Stamps is also
 Inspector-General of Registration, and it is on the latter branch of his work
 that he is principally employed. As far as stamps are concerned, his duties
 are only to see that proper stocks are kept up in Treasuries and Sub-treasuries
 and by licensed vendors, and that stamps filed in the courts are properly can-
 celled. We do not think that an officer of his rank and pay is required to
 perform such duties, which are peculiarly those of Collectors of districts. We
 have elsewhere proposed that the appointment should be abolished. Of the
 five Inspectors we propose that one should be abolished and the rest retained
 for the present; for further remarks on this subject, see under Registration.
 The reduction in the Budget thus effected is Rs. 8,000.

31. The Collector of Bombay is Superintendent of Stamps, and in this
 capacity has charge of the stock and distributes it to all
 the district offices in Bombay, Sind and Berar, to some
 districts in the Central Provinces, and to salesmen in Bombay. The work is
 principally done by the Assistant Superintendent of Stamps on a salary of
 Rs. 600, with a staff of 29 clerks and 37 servants. We have enquired into this
 office and have no reason to think it is overmanned. There are four salaried
 vendors in Bombay City, two at the High Court and two at the Small Cause
 Court; two receive Rs. 80 and two Rs. 40 per mensem. At the Allahabad High
 Court the salaried vendor receives only Rs. 10 per mensem. We think the Bom-
 bay salaries unnecessarily high and recommend their reduction, but we do not
 allow for any such reduction in framing the Provincial Contract, as the figure
 is but small.

32. Sixteen of the Collectors have vernacular clerks to carry on the sale of
 stamps, the rest manage the work by their ordinary staff.
 Of the sixteen, nine are allowed one clerk, five (Ahmed-
 nagar, Karachi, Khandesh, Poona, Satara) have two, and two (Ahmedabad and
 Nasik) have three. We question the necessity of any district having more than
 one stamp clerk, but possibly at Poona and Ahmedabad, where there are no
 treasuries except the Branch Bank of Bombay, two may be required. If this is
 the case, seven clerks; if not, nine clerks, may be retrenched. But here again we
 only make this suggestion for economy for the use of the Local Government, and
 do not think it necessary to retrench the cost of the clerks from the Contract.

33. Discount at two per cent. is allowed on the sale of Court Fees Stamps
 by licensed vendors, limited thus. In Bombay itself
 to sales of adhesive stamps; and in the Mofussil to sales
 of both kinds below Rs. 50 in value. The grant of discount on the sale of Court
 Fees Stamps is not universal. The usual rule is that they are sold only by salaried
 and *ex-officio* vendors, and we suggest the extension of this rule to the Bombay
 Presidency. If, as would seem to be the case, the Local Government should be
 of opinion that such a rule cannot be made general without imposing undue
 labour on the establishments or causing inconvenience to the public, the grant of
 discount might, we think, at least be confined to the eight and one-anna values
 which are those in most frequent demand, and be extended to the higher values
 (under Rs. 50) only in localities where there is no *ex-officio* or salaried vendor
 within a moderate distance, who could be required to undertake their sale. We
 have not included in the Contract any possible saving, which might accrue from
 such a change of procedure.

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Excise.

34. The estimate for 1886-87 is 1,94, but the actuals of both 1885-86 and 1884-85 have been 1,98, so that the estimate of 1886-87 appears slightly low. We deduct the saving, 8, from 1,98, and fix the figure for the Contract at 1,90.

EXCISE.

35. *Revenue*.—The five years of the Contract have witnessed the completion of a new system, by which the Central Distillery system has been introduced in lieu of the Out-still system, the monopoly of distilling being sold to a single person; while, as regards the revenue from toddy trees, a system of tree tax has taken the place of a system of farm. The precise information, which this system gives, regarding the consumption of spirits enables the Excise authorities to continually increase the rate of tax, and thus to increase the revenue while watching the effect on the consumption.

36. The increase obtained in this way during the Contract has been very marked, the totals of Excise Revenue for the four past years being, 70,10; 77,73; 82,14; 90,05. In 1879-80 it was only fifty lakhs. The estimate for 1886-87 is 85,58. This was made before the outturn for 1885-86 was known, and it might now with the more recent knowledge be placed much higher. The reduction of the tree tax in Bombay Island from R18 to R10 is the only measure that might lead to a reduction of revenue, but even that appears from the papers to be a change from a partly unrealisable to a realisable rate of tax.

37. Part of the increase of revenue above referred to arises from the purchase of the excise rights of Native States, to whom an annual payment is made out of the revenue realised.

38. About eleven or twelve lakhs of the revenue are obtained from opium, of which the right of vend is sold by the district. The large farmers obtain their opium direct from the producing districts, but opium is also sold from the Government treasuries at R20 a seer, the price of re-sale being restricted to R25. Accordingly, though the total figure attained in 1885-86 was a large increase over the former year, we may, pending the revised estimates, assume that it will maintain itself, and we therefore place the estimate at 90,05.

39. *Expenditure*.—The changes just noted have necessarily been accompanied by a considerable increase of establishment. The Departmental Reports show the following scales:—

	31st July 1882.	31st July 1885.
INSPECTORS AND SUB-INSPECTORS—		
R100 and over	20	35
Under R100	121	173
GAUGERS, CLERKS, &c.—		
R12 to R50	21	(a) 56
PEONS AND SERVANTS—		
R6 to R20	558	703
TOTAL NUMBER	720	967
MONTHLY COST	R12,602	19,039

(a) Includes 4 on R60, 70, and 100.

The Future Provincial Contract with Bombay.

Provincial Rates. Customs.

The Budget Estimate of 1885-86 fairly agreed with this (it was necessarily a little earlier in date), showing the total cost of establishment and travelling allowances at ₹2,27,000.

40. By the system which prevails in Bombay, the persons who purchase the right to distil, have to pay a contribution towards the maintenance of the establishment; and the amounts thus payable aggregate ₹6,110 a month, or ₹73,320 a year. By orders of the Local Government, this contribution on the one side, and the cost of the additional Police maintained to guard the distilleries and for other excise duties on the other side, which came to a little over ₹60,000, was transferred to the head of Police, the Local Government apparently overlooking that in this way it modified the Provincial Contract in its own interest to the extent of ₹6,000 a year. Thus the Budget Estimate for 1886-87 shows the Inspectors, Sub-Inspectors and clerks only (which, including travelling allowances, come to ₹2,10,000 against ₹1,75,000 in the estimate for 1885-86), the remaining ₹50,000 or ₹60,000 being transferred to the Police estimate. The estimates of 1886-87 show also the addition of a Deputy Collector for the Island of Bombay, who is mainly required for supervising the tree-tax system.

41. The large increase in these establishments appears to us to be entirely justified, whether as regards the improvement in system which has rendered it necessary, or the large increase of revenue which has accompanied it.

PROVINCIAL RATES.

42. By the rules prevailing in Bombay, the District Boards are entitled to receive only the net proceeds of the rates, and therefore so much of the rates is credited to Provincial as is necessary to meet the expenditure of Government in respect of their collection. The figures appearing in the Revised Estimate of 1885-86 and the Budget Estimate of 1886-87 are as follows:—

	1885-86.	1886-87.
	₹	₹
Revenue (Provincial rates)	57,000	55,000
Expenditure (Refunds)	12,000	10,000
„ (Provincial rates)	57,000	55,000

It would appear from these figures that the refunds had been forgotten in estimating the revenue, which should have been placed at 69, against the expenditure of 12 and 57. For present purposes we take 55 on both sides, and omit the estimate of refunds.

CUSTOMS.

43. *Revenue.*—We have taken the Provincial Customs Revenue at the Budget figure (45), which is about the amount of past actuals. It principally consists of fees for boat licenses and for the registry of vessels, of fees for transshipment and for duplicates or further amendment of Customs documents, and of warehouse and wharfage rents and fees. There is, however, one item which will have to be noted in connection with the expenditure, namely, ₹8,700, paid on account of salaries and of pensionary contribution for Government establishments employed for the convenience of private companies, such as the Peninsular and Oriental Company.

The Future Provincial Contract with Bombay.

Assessed Taxes.

44. *Expenditure.*—The Customs establishments throughout Bombay are Customs and Salt establish- practically inseparable from the Salt establishments and ments combined. are, like them, to be Imperial in the future Contract. They have been separately dealt with (*vide* Vol. II, Chapter III, Section B), but for present purposes are taken at the actual amount of 1885-86, namely, 4,80.

45. We were unable clearly to ascertain at the time if there were any petty establishments connected with the receipts which are classified as Provincial. The Bombay Government was asked to give us a list of any such expenditure, whether boat-licensing establishments, or warehouse establishments, which had to be provided for in its Contract.

46. It would seem desirable also to provide for the Provincialisation of all transactions of the kind indicated by the receipt of Provincialisation of estab- RS,700 for special establishments employed at the in- lishments employed for pri- stance of private companies. It is presumed that these vate persons. establishments are separate ones and not merely part of the general establishments, and in that case, it will be easy to leave both the receipts and the corresponding expenditure in the Provincial account.

ASSESSED TAXES.

47. *Revenue.*—The estimate of receipts from Income-tax for 1886-87 was Payments by Railway Com- 34½ lakhs, but that is now believed to be more than will panies. actually be collected. The estimate for the Mofussil in Bombay proper, excluding the City, is now 8½ lakhs. Sind may bring in, we are told, about two lakhs, and Bombay City sixteen to seventeen lakhs of rupees. The balance has to be made up from payments by the Railway Companies, the realisation of which is doubtful, and which it would appear convenient to retain in the Imperial account, and not to mix up with the rest of the assessments of the Presidency.

48. *Expenditure.*—As to expenditure, the License-tax establishment cost Mofussil establishments. 20, almost all of which was paid to officials in Bombay, the work of the districts being done by the Collectors' establishments without any extra charge. In the current year the Bombay City cost has been fixed at 41, and that of the rest of the Province at 46. Of the latter, 18 is on account of the officer in special charge, Mr. Baines, and 28 for the Mofussil, mostly on account of special salaries to assessing officers who will not be needed in future. Mr. Baines' appointment will not be renewed, and we may reckon the future charge outside of Bombay City at 10.

49. In Bombay City there is a large establishment; two Joint Commis- Bombay City establish- sioners at R250 each, a Collector at R800, an Assistant at ments. R350, 21 Clerks at R735, six Inspectors at R620, and menials, costing in all 41 per annum. The allowances to the Joint Commissioners (who are highly paid officers of Government,—the Collector of Bombay and one of the Presidency Magistrates,—and who have had very little or no work to do so far in return for these allowances) will no doubt be withdrawn, but we believe that it is considered necessary to retain the rest of the establishment on the ground that there are constant changes of residence and an ebb and flow of trading residents, and that the annual work of revising the assessment will not be much less than the work of introducing the Income-tax. Ten thousand people were assessed to License-tax, and it is estimated that thirty thousand will pay Income-tax. We are not satisfied that the labour in future will be so

The Future Provincial Contract with Bombay.

Forests. Registration.

much greater than that connected with the License-tax that the establishment (which cost about 18) need be doubled, and we think the Government of Bombay should be invited to reconsider the question. Meanwhile we accept the establishment of 41—6 or 35 for Bombay City, and 10 for the establishment required in the Mofussil, total 45.

FORESTS.

50. The forests in Bombay are divided among three Conservators, the Northern and Southern Divisions of Bombay proper and the Sind Division. The statistics of revenue show a very rapid improvement, having been for the last five years as follows :—

	Revenue.	Expenditure.	Surplus.
1881-82	18,28	11,50	6,78
1882-83	20,90	12,62	8,28
1883-84	25,03	15,45	9,58
1884-85	27,75	17,63	10,12
1885-86	33,66	17,80	15,77

51. The Budget Estimate of expenditure has been fixed by the Government of India at 18,52—5 or 18,47. We take as our estimates for the future 31,00 and 18,50, giving a surplus of 12,50. The chances are that the revenue will be more, but, until the realisations of the current year can be ascertained, it is best not to assume the maintenance of the high figure of 1885-86. The expenditure is certainly amply estimated at 18,50, as the Budget figure, 18,52, is admitted by the Conservators to provide for a higher scale of expenditure than is likely actually to be incurred. There is considerable expenditure at present upon Forest Settlement, but in both the Northern and the Southern Divisions this work is expected to be finished by 1888-89.

52. The establishments are divided over 36 Ranges and eight Divisions in the Southern, and over 105 Ranges and twelve Divisions in the Northern Conservancy Circle, but in neither of these Circles are there as many Rangers as there are Ranges.

53. The whole question of Forest revenue in Bombay is at present being examined by a special Commission of enquiry, so that it would be premature to express any opinion upon the matters which come under their cognisance. The questions of expenditure to a great extent hinge upon those of revenue, and as the Department shows a much larger increase of revenue than of expenditure, we are not prepared, without stronger grounds than our enquiries have disclosed, to propose any reductions in the scale of the latter. There are at present no new proposals for expenditure in the Department.

REGISTRATION.

54. *Revenue.*—The Provincial income has risen from 1,35·5 in 1881-82 to 1,37; 1,67; 1,87; 1,96; and 1,97 in 1886-87. The figures of the Budget may be accepted. The receipts could probably be increased, if that were made an object, but the Bombay Government have not attempted to do much more than cover the expenditure. We observe that by an order, which came into effect only on the 1st September 1886, the copying fee has been reduced from 2½ annas to 2 annas per folio, the

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Registration.

estimated loss of income by which is Rs15,000. We venture to think that in the face of the large reduction of expenditure, which was known to be imminent, such a step was hardly advisable. We have framed the Contract, therefore, on the supposition that in view of present circumstances the old rate will be reverted to.

55. *Expenditure.*—On the expenditure side the Provincial share of the cost has risen from 1,18.5 in 1881-82 to 1,21; 1,41; 1,47 and 1,50; and in the Budget of 1886-87 stands at 1,47. The chief minor heads are the Inspector-General of Registration and the five Inspectors under him, the two Bombay Registrars, the clerks of the District Registrars, and the Sub-Registrars in the districts. We have some suggestions to make on each of these heads.

56. The Inspector-General of Registration and Stamps draws Rs2,000 per mensem, of which two-thirds are debitable to Registration and one-third to Stamps. In the last year, for which a report is printed, he inspected the offices of thirteen Registrars and of forty Sub-Registrars: and he also visited the offices of several Collectors, inspected the stock of stamps and examined files in the office to see that the stamps were properly cancelled. Sind is not under him. We cannot think that the work thus performed is at all commensurate with the cost of the office, and we understand that the Government of Bombay agrees with us that this post need not be retained. The work of the office might, we believe, be left to the Commissioners of Divisions, whose annual reports might be tabulated and combined in the Secretariat, or by the Collector of Bombay: or, if it is thought advisable, the duty of inspecting Registration offices might be entrusted to the Inspector-General of Jails. The inspection duties of both offices are such as to take the two Inspectors-General to the same localities. The saving effected would be, under Registration Rs28,000, under Stamps Rs8,000, after allowing for a reasonable addition to the establishment of the officer to whom the duties may be assigned.

57. There are five Inspectors under the Inspector-General. Their rank corresponds to that of a Mamlatdar. Their salaries are Rs250, Rs200, Rs175, and two at Rs150. One of these has recently been appointed in Sind. One-third of their pay is debited to Stamps, and the other two-thirds to Registration. The four Inspectors who existed in 1883-84 inspected respectively the offices of 27, 29, 27, and 25 Sub-Registrars—an extremely small tale of work: and the chief work of inspection seems to have been done by the Collectors themselves, who visited 177 offices, and by Assistant and Deputy Collectors, who examined 37. We have had some doubts whether these Inspectors are really required, but if the abolition of the office of Inspector-General is carried out, it may be better not to remove the Inspectors also at the same time. We recommend however that, as the three Commissioners have advised us, the four Inspectors in Bombay proper be reduced to three, one for each Division. The reduction effected will be:—

	Per mensem.
	R
1 Inspector	150
1 Kāikun (clerk)	30
Travelling allowance	115
	<hr/>
TOTAL	295

The Future Provincial Contract with Bombay.

Registration.

58. In the City of Bombay there is a Special Registrar on R500, and a Joint Sub-Registrar on R300. They share between them a commission of ten per cent. on the fees, provided it does not exceed R200 per mensem for each. The actual realisations from fees have been about R130 per mensem for each Registrar, besides which the senior officer receives about R50 per mensem in fees for registering Parsi marriages. Their office consists of 31 clerks and eight peons, costing R1,214 per mensem, and the total cost of the office including the fees and salaries of the Sub-Registrar last year was R26,473. The number of deeds registered is about 4,000 per annum or about fourteen per diem. We consider that the establishment is both overpaid and overmanned. In Poona about half as many documents are registered annually at a cost to the State of about R2,500 only; and though it may be admitted that the deeds registered in Bombay are more lengthy and difficult, we do not think the cost of registration there ought so greatly to exceed the cost in the Mofussil. We consider that the work should be performed by one officer, as Registrar and Special Sub-Registrar of Bombay City, who might receive R500 per mensem with five per cent. of the fees (which would amount at the present average to R130 per mensem, and which should be limited to a maximum of R150); and that the establishment should be reduced so as not to exceed R10,000 per annum. There are a small number of appeals from the Joint Sub-Registrar, which are now heard by the Special Registrar (five were decided last year and twenty-nine have been filed within the current year), and the Collector of Bombay might be empowered to hear and decide them. The savings thus effected would be about R9,000, and we believe the reduction may safely be carried still further. There may be a loss of special registration fees, but the amount appears to be small.

59. Outside Bombay itself the Registrars are the Collectors of Districts, who have office establishments which consist generally of one clerk, one karkun and one peon costing R83 per mensem. In two districts the cost is R73. In those districts in which the Deccan Ryot Relief Act is in force, an extra clerk is employed at R20. In the Sind districts the scale is different, a clerk at R70 and a peon being the usual staff. The Personal Assistant to the Commissioner in Sind used to draw R200 as Branch Inspector of Registration, but that allowance has since been consolidated with his pay of R1,200. A head clerk on R150, a half-time clerk on R30 and two peons at R9 arc, however, still kept up and charged to Registration; but for this we see no sufficient reason.

60. The Sub-Registrars are 217 in number, of whom eighteen are *ex-officio*

SUB-REGISTRARS.

Grade.	Receipts from fees.	Salary.
1st	Over R200 per mensem	R 75
2nd	R100 to 200	60
3rd	" 50 to 100	35
4th	" 35 to 50	25
5th	" 25 to 35	20
6th	" 20 to 25	15
7th	Under 20	12

and 199 are Special Sub-Registrars, non-officials, who do no other work. There are seven grades, fixed according to the average fee receipts; the details are shown in the margin. All receive twenty per cent. of the fees collected and pay for their own establishments. In Sind the Sub-Registrars have no fixed salary and get half the fees; they are mostly officials. Besides this, in the four Deccan Ryot districts, there are 172

Village Registrars who register documents at lower rates and charge no copying fees; they mostly receive R12 per mensem. Forty of the Special Sub-Registrars are also Taluka Village Registrars.

The Future Provincial Contract with Bombay.

Refunds.

Registrars, and receive Rs 25, 20, 15 or 12 in addition to their regular pay, with twenty per cent. on their own fees and five per cent. on those received by Village Registrars, for doing registration work of the same kind and for supervising the Village Registrars. The only remark we have to make on this system is that it seems to be a rather liberal one, and that the remuneration in many cases causes a loss to Government. In 1883-84 there were thirty, and in 1884-85 twenty-three, deficit offices, and we think that the Special Sub-Registrars might fairly have been told that Government

Deficit offices.

would give them the full prescribed remuneration if they earned it, but could not give them more than they actually earned. We understand that the three Commissioners in their conference with us approved this suggestion, and that they consider that, if any Special Sub-Registrar should refuse the post on these conditions, the work can effectively be done, as used to be the case, by the Mamlatdar's first karkun. The loss on these deficit offices (which would be avoided by this rule) was Rs 1,969 in 1884-85; but the sum is a small one and we do not propose to take it into consideration in fixing the figures of the Provincial Contract.

61. The cost of "District Contingencies" has risen from 19.6 in 1882-83 to 21.9 in 1884-85 and 35.7 in 1886-87. The cause is

Contingent expenditure.

attributed chiefly to increased travelling on account of there being an additional Inspector, and to a large supply of record-racks. We think the expenditure may well be kept down to the Revised Estimate of 1885-86, Rs 23,000.

62. Taking all these reductions into consideration, the expenditure under

Total reductions to be effected.

this head may be fixed for the future Contract at Rs 2,40,000 :—

	R
Budget, 1886-87	2,93,000
Deduct—	R
Inspector-General and office	23,000
One Inspector and karkun	3,540
Bombay office	9,000
Contingencies	12,700
	<hr/>
	53,240
TOTAL	<hr/> 2,39,760 <hr/>

REFUNDS.

63. The Land Revenue refunds were in 1880-81, 1,45; in 1881-82, 1,18; in 1884-85, 1,16; and in 1885-86, 2,29. The figures of

Land Revenue.

1882-83 and 1883-84 are useless for comparison, as they include some special refunds made under the Secretary of State's orders. As we have used, for our estimate of the revenue, the actual realisations of the past years, we may take 1,52 as the corresponding amount of refunds, being the average of the years above shown.

64. The Budget Estimate for 1886-87 gives amounts under refunds of divided heads which are fairly accordant with past

Divided Heads.

years, namely, Stamps 70, Excise 1,94, Forest 14, and Registration 4. The large Excise refunds arise out of the conventions with Native States for the management of their Excise revenues. For Assessed

The Future Provincial Contract with Bombay.

Assignments. General Administration.

Taxes we make no estimate, as the question of amount depends upon the settlement of the amount of the revenue.

65. The Budget Estimate gives 10 for Provincial Rates, but we omit the amount for the reasons given under the revenue head (*vide* paragraph 42).

Provincial Rates.

ASSIGNMENTS.

66. The greater part of the charge under this head is brought in by credit to Land Revenue, being 59,29 out of the 73,27 shown as revenue of alienated lands. The other amounts here charged are—

	1883-84.	1884-85.	1885-86, Revised.	1886-87, Budget.
Inamdar	5,17	4,36	4,36	4,52
Payments to District officers	3,31	3,21	3,19	3,19
Watahsdars and Devasthans	3,12	3,36	3,41	3,44
Commutations	2	1	2	2
Compensations	3,93	3,63	3,70	3,57
TOTAL	15,55	14,57	14,68	14,74

67. The Budget Estimates appear to be for the most part in excess of the actuals, as they represent the demand, which is not always fully worked up to. We may take, for the whole estimate, 14,71 + 59,29 or 74,00.

Estimate adopted.

GENERAL ADMINISTRATION.

68. The actuals of the two last years have been (1885-86) 12,63 and (1884-85) 12,67. The estimate for 1886-87 is 12,58, which is probably a little too low. We deduct 30 (14 + 16) from 12,63 as explained in paragraphs 69 and 74, and fix the figure at 12,33.

Future Estimate.

69. The cost of the movements of the Government between Bombay, Poona and Mahabaleshwar, has been treated of in a separate Note (a) and needs no further reference here, beyond the mention of the fact that we estimate the saving under this head at 14, for which we have taken credit in the preceding paragraph. Of this reduction, 5 is taken from the item "Tour expenses" in which provision is made for the Travelling and Hill allowances of the Staff of His Excellency the Governor.

Tour expenses of Governor and Secretariat.

70. We find that the Secretariats of the Civil, Military and Public Works Departments are strongly manned and highly paid as compared with those of other Governments, and the cost is steadily rising, though not in the same proportion in which the work has

Secretariat establishments.

(a) *Vide* Volume II, Chapter XIII, Section C.

The Future Provincial Contract with Bombay.

General Administration.

increased in recent years. There seems to be reason to think that much of the correspondence, which now reaches the Secretariat, might be intercepted by the Commissioners of Divisions, and we understand that proposals for a re-arrangement of the work are now before the Government. We observe that there are highly paid Uncovenanted officers, called Assistant Secretaries (two in the Revenue, one in the Judicial, and one in the Military Department), who are practically in the position of Superintendents of the offices, and the necessity of whose appointments seems to us doubtful. We propose^(a) to submit a separate Note to the Government of India comparing the cost and the distribution of work in the different Secretariats of the Local Governments, when we have completed our tour of inspection.

71. The Oriental Translator to Government holds a post which combines the duties of translating vernacular letters and petitions into English, and Acts, Bills and Rules into the vernacular, as well as those of a Native Aide-de-Camp at Darbars and State visits. He also has charge of the Toshakhana, and is *ex-officio* member of some Examination Committees. The pay of the office is R700 rising to R1,000, and he has four Translators and twenty clerks under him, the total expenditure being 40 or 41. The Government has already decided that in future the appointment should be held for five years only, and that the Toshakhana should be placed in charge of an Under-Secretary. We think that, considering the nature of the work, and the position of the Translator as compared with the class of Deputy Collectors, from whom he would ordinarily be selected, the pay of the post might be fixed at R500. An incremental salary does not seem to be required if the office is only to be held for a limited time.

72. The Commissioner in Sind receives the pay of a Chief Commissioner together with a permanent travelling allowance of R250 : The Commissioner in Sind ; but he has only five districts under him, one of which is little better than a desert. Politically important as Sind may be, we do not think the work or responsibility can be compared with that which devolves on a Chief Commissioner elsewhere : and we recommend that the post be reduced to the level of the three Commissionerships in Bombay proper. It appears that the semi-independence of Sind is a source of some administrative inconvenience, inasmuch as it is difficult to obtain information regarding it in matters concerning several Departments, such as Salt, Excise, Customs, Forests, Police, Jails, Education, Irrigation, Survey ; and the proposal we make would probably result in its complete amalgamation with the rest of the Province, and in bringing about a more uniform procedure, though we do not propose that the Commissioner's power to dispose of local matters within his jurisdiction should be interfered with.

73. The establishment attached to the Commissioner seems also to need revision. He has a Head clerk (or Daftardar) on R300, and his establishment. twelve English clerks at R995, six Vernacular clerks at R260, a Hospital Assistant at R60, and 34 servants in his office, the whole establishment costing R24,200 per annum ; while the other three Commissioners have between them only 34 clerks and 60 servants costing R33,900 per annum, besides a Police establishment costing R7,200. If the Sind Commissionership is placed on the same basis as the rest, the establishment should probably not cost more than R11,000 or R12,000 a year.

(a) The Committee dissolved before this intention could be carried out.

The Future Provincial Contract with Bombay.

Law and Justice, Courts.

74. The three Commissioners of Divisions have each two Assistants of the Deputy Collector class, the total cost for the six being Assistants to Commissioners of Divisions. R32,400. Formerly when there were only two Commissioners they had two Assistants each. When the third Commissionership was created in 1876, the Central and Southern Divisions were allotted one Assistant each, but in 1883 the number was raised to two. We do not find that any sufficient reason exists for giving them so much assistance. It is alleged that each Commissioner requires one Assistant to supervise his office while he is on tour, and one to accompany him on tour and advise him as to the character and claims for promotion of the native officials in the Division. No such provision exists in any other Commissionership in India, and we recommend that one Assistant be abolished in each Division. This will effect a saving of R16,200.

75. We observe that the provision for travelling allowances is R36,700 or Commissioners' travelling expenses. over R12,000 a year for each Commissioner. We think the Government of Bombay might consider whether by arranging that the Commissioners should travel with smaller establishments, or in any other way, this expenditure might not be reduced.

76. We have considered the question whether it is possible to go back to Original number of Commissioners. the original number of two Commissioners. The Government has expressed itself as decidedly opposed to any such recommendation, and we are not prepared to make it. If a Commissioner is to be a real active influence, the area of his Division must not be such as to make it impossible for him to travel over it in a year, and to become thoroughly acquainted with all its parts: and this we believe would be the case if all Guzerat, the Deccan and the Konkan were divided between two Commissioners.

LAW AND JUSTICE, COURTS.

77. *Expenditure.*—A separate report is being drawn up on the High Court (a) and the Law Officers of Government, pending orders on which we take the Budget figures.

78. The Presidency Magistrates are three in number. They draw R2,000, Presidency Magistrates. R1,200 and R1,000 a month respectively, and are mostly engaged in the decision of very petty cases. It is doubtless necessary to keep one experienced and highly paid officer for the more difficult work which arises, but we suggest that the other two might be officers of the Deputy Collector class receiving much lower salaries. The Chief Clerk of the Presidency Magistrates' Court receives a salary of R450 per mensem. This salary is a relic of an old system under which this officer was "Clerk to the Justices of the Peace," but it appears to us to be a much larger salary than is requisite with reference to his present duties. We understand that, even in Bombay, an officer of the necessary qualifications would be considered to be suitably remunerated if paid R200 per mensem, and we therefore suggest the reduction of the pay of the appointment of Chief Clerk to the Presidency Magistrates to that sum.

(a) *Vide* Volume II, Chapter V, Section A. The report on the Law Officers of Government had not been completed when the Committee dissolved.

The Future Provincial Contract with Bombay.

Law and Justice, Jails.

79. There are five Small Cause Court Judges in the Mofussil, two of whom receive R800, two R1,000, and one R1,200. They decide about 15,000 cases a year between them, and are not therefore heavily worked. We question whether it is necessary to provide any separate judicial staff for work of this kind; or, if it be necessary, whether their salaries should exceed those of Subordinate Judges, the highest class of whom are paid R800. The Government of Bombay have, however, stated that they desire to keep these posts as prizes for the Subordinate Judicial Staff.

80. The Cantonment Magistrates at Poona and Belgaum receive R1,000, at Disa and Ahmedabad R700 per mensem. The Aden post is nominally one of R700, but is attached to the Political Staff. We suggest that in the larger Cantonments, where a European Civil Officer is available, the Cantonment cases, in which Europeans are involved, should be tried by him, and the petty cases by a Deputy Collector, a staff salary of R100 being given to a military officer for the executive sanitary work of the Cantonment. This would effect a considerable economy. There does not appear to be any European officer available at Belgaum, but at Poona the City Magistrate could do the work, and at Ahmedabad a Deputy Collector has been till recently officiating in the post. At several small stations, and even at so large a place as Karachi, the work is done by an officer of the garrison for a staff salary of R100, and this plan might perhaps be applied to Ahmedabad or Belgaum.

81. If the above suggestions are accepted, some reduction will be possible. Meanwhile we adhere to the figure shown as the actual expenditure of 1885-86, 44,79.

82. *Receipts.*—These are taken at the same figure as in the Budget of 1886-87.

LAW AND JUSTICE, JAILS.

83. *Expenditure.*—The only recommendation we have to make here is that the five small jails at Ahmednagar, Satara, Sholapur, Belgaum and Godhra should be abolished, and to this the Inspector-General of Jails agrees. The Government has already carried out considerable reductions in this direction.

84. The Revised Estimate of 1885-86 was 6,30, and the reduction of the five jails would lower the expenditure to 6,10. It is necessary in the case of jails to allow a margin, so as to provide for the increased cost of supplies in years of scarcity: but we find that though the cost (a) of jails has been continually decreasing of late years, the decrease has not been in the cost of rations, which has been very steady, but is mainly due to the reduction of small jails. We think it safe, therefore, to accept the figure of last year, 6,13. The saving effected by the abolition of the five small jails will go to meet the possible increase in the cost of supplies during times of scarcity.

85. *Receipts.*—The jail receipts have been decreasing, through difficulty in employing the prisoners on remunerative work—a difficulty which has been for the most part removed by the recent orders of the Government of India. We take the average of the last two years and fix the figure at 2,35.

1882-83	.	.	7,14
1883-84	.	.	6,71
1884-85	.	.	6,51
1885-86	.	.	6,13

1882-83	.	.	3,56
1883-84	.	.	3,02
1884-85	.	.	2,47
1885-86	.	.	2,23

The Future Provincial Contract with Bombay.

Police.

POLICE.

Past statistics.

86. The following are the details under this head :—

	Actual, . 1884-85.	Actual, 1885-86.	Budget, 1886-87.	Committee's Estimate.
EXPENDITURE.				
Presidency Police	4,00	} 5,05	{ 4,97	4,77
Dockyard and Harbour Police	51			52
Superintendence	19	41	45	45
District Force	34,71	34,29	36,48	35,00
Village Police	7,94	8,18	8,17	8,12
Railway Police	53	43	83	50
Collection of pound fines . . . . .	...	80	85	85
Refunds . . . . .	...	1	1	1
TOTAL	47,88	49,20	52,28	50,22
RECEIPTS.				
Railways	23	21	25	25
Municipalities, &c.	3,18	3,13	3,08	3,03
Excise Police . . . . .	...	32	71	71
Private persons, &c.	11	43	76	76
Village Police	13	15	13	13
Arms Act	1	0	1	1
Fees, Fines, &c.	3	1,97	1,91	1,91
Superannuations	8	6	8	8
Miscellaneous	98	1,03	1,00	1,33
TOTAL	4,75	7,30	7,93	8,26

87. *Expenditure.*—The division of the cost of the Bombay City Police

City Police.

Distribution of cost between Government and the Municipality.

between General and Municipal Taxation has long been a subject of controversy in Bombay. In the years preceding 1871 the Government paid a quarter of the charges for town police (R99,625); but in 1871 this contribution was suspended. At the instance of the Government of India, a contribution of R90,000 was paid, from 1875-76, though the Government declared it was under no obligation, legal or otherwise, to continue the payment. From May 1st, 1883, an arrangement was made as follows: The total cost being reckoned at R3,61,749, the Municipality would pay the Government R2,71,749 and Government would pay the Police charges, thus involving an excess charge of R90,000.

88. It was further intended that the Municipality should be relieved of these Police charges (according to the then declared policy) and that it should take over, in return, certain Provincial charges which are not yet settled. It has as yet taken over from Government only two small charges of R8,000 (Albert Museum) and R1,900 (Queen's Statue). The Municipality contributes little or nothing (besides a grant of R36,000 to the Gokuldass Tejpal Hospital) towards the large hospital and educational expenditure of Government in Bombay.

Municipality to take other charges in exchange.

The Future Provincial Contract with Bombay.

Police.

Increase in cost of Police. 89. Meantime, the cost of the Presidency Police has risen as follows:—

	Revised, 1885-86.	Budget, 1886-87.
Total charges	4,46	4,97
Less police supplied to private Companies, the cost of which is recovered, and guards for Government buildings	35	71
	<u>4,11</u>	<u>4,26</u>
Deduct clothing recoveries credited as Miscellaneous receipts	11	11
	<u>4,00</u>	<u>4,15</u>
Net cost		

90. Thus the Budget figure makes an addition of about Rs4,000 to the scale of May 1st, 1883, which is due partly (say about 34) to increase made to the establishment in 1885; but partly (say about 20) to over-estimating.

91. The Government, therefore, according to the Estimate of 1886-87, has to meet a charge of 4,15, with a contribution of 2,71, less 12, a deduction admitted by the Government of Bombay, for the rent of certain Municipal buildings occupied by the Police; that is, the Government has to bear a net charge of 1,56 against its original undertaking to pay 90 only. Even allowing that the Budget Estimates are overstated by 20, which appears not unlikely, the excess payment by Government is 46. Of this we can account for about 20 owing to additions made to the force in 1884 and 1886, and 12 owing to the acceptance of the house-rent charge above alluded to. (a) The remaining 14 we cannot follow.

92. In any case the Government of Bombay, according to the existing law and according to its declared views, is not fairly chargeable with any increase in the net cost of the force over Rs90,000, and we consider it should take steps to arrange for the payment of all further charges out of Municipal taxation. We assume that it cannot do so immediately, and that it will have to bear the extra cost for the present, but we may apparently make the deduction of 20 on account of over-estimate in the Budget.

93. We should remark that the Government has, in a reply given to our enquiries, stated the net cost borne by it, in the five years 1881-82 to 1885-86, at 94; 97; 1,38; 1,23 and 86; but these figures are not reconcileable with the published accounts and estimates on which our calculations are based.

94. Before leaving the subject of the City Police we should note that a considerable amount of expenditure seems to be in view, both with reference to housing the Police and in order to supplying them with hospital accommodation, either special or in the existing Presidency hospitals. But we are of opinion that such expenditure should not be considered entirely chargeable against the Provincial Government, as it does not appear to have been contemplated at the time when the Municipal contribution was fixed at 2,71.

(a) The Municipality, after agreeing to pay 2,71 on the ground that the cost of the Police was 3,61 and that they should pay all but 90 of it, deducted 12 from the 2,71, on the allegation that it was due to them as rent for buildings occupied by the Police. The transaction seems open to some question; as apparently, if this 12 was to be immediately brought as a charge against the Police in addition to the 3,61, the Municipal contribution should have stood at 2,83, viz., 3,73—90.

The Future Provincial Contract with Bombay.

Police.

Dockyard and Harbour Police. 95. We take these at the figures of the estimates, namely, 18 and 34.

96. The office of Inspector-General of Police has been in existence only since the beginning of 1885, before which time the work was done by the Commissioners of Divisions, each for his own Division. The Inspector-General has taken over from the Commissioners only a limited portion of their duties, and is, in fact, little more than an Adjutant and Quartermaster for the Police force. We are of opinion that for functions so limited the present scale of pay (R1,800 per mensem) is too high, and that the Government of Bombay should either reduce the pay attached to the existing appointment, or should make the Inspector-General accept the duties and responsibilities exercised by Inspectors-General in other Provinces. In this last case the relief to Commissioners would be considerable, and would enable them with ease to intercept a large portion of the work which now reaches the Secretariat, and may make some reductions possible in that quarter. We, however, make no alteration in the existing estimate of the expenditure under this head.

97. The cost of the District Force in the three years, 1883-84, 1884-85 and 1885-86, has been 32,98, 31,71 and 31,29. The estimate for 1886-87 goes up to 36,48. The figures will be somewhat more easily compared with each other as follows:—

	1883-84.	1884-85.	1885-86, Revised.	1886-87, Budget.
Clothing and Accoutrements	1,58	2,78	2,00	3,26
Excise Police (a)			29	71
Other charges	31,40	31,93	32,16	32,51
Total	32,98	31,71	31,45	36,48

(a) Assumed to be equal to the receipts.

98. The increase under the first head appears to be due to mere over-estimating,—that is, there is no particular intention of spending more than usual in 1886-87. The amount shown under the second head is due to the fact that certain charges and corresponding receipts were, in November 1885, transferred from Excise to Police (*vide* paragraph 40): and it does not represent any real increase of expenditure.

The increase under the third head is in all probability merely a margin allowed in estimating, and it is likely that the actual expenditure will be much less. There have been none but very small increases, for some time past, in the establishment of the Police, and the Accountant-General gives us the following figures as the cost of the several grades of the Police up to the time of the addition of the Excise Police:—

	Inspectors.	Chief Constables.	Head Constables.	Constables.
1881-82	97	1,98	4,13	12,73
1884-85	1,00	2,01	4,20	13,26

Pending the revised estimates, we may put 35,00 as the probable actual cost.

The Future Provincial Contract with Bombay.

Police.

99. The number of District Superintendents is twenty-two and of Assistant District Superintendents, ants five, most or all of the latter having specific Assistant and Probationers. charges, and not being merely assistants to their District Superintendents. A staff of Probationers is kept, from whom vacancies in the regular staff may be filled. The sanctioned number of these is ten, but both the Commissioners and the Inspector-General consider that this is more than is necessary, or even advisable, because with the present number a Probationer has to wait some seven years for a permanent appointment. The Commissioners and Inspector-General in conference with us agreed that the number might be reduced to six.

100. We observe that the pay of District Superintendents and Assistant Superintendents is higher than in any other Province except Madras, and we think it right to recommend a reduction. In dealing with the Madras and Bengal Police, we have been led to propose a re-grading of the Officers so as to remove certain anomalies and bring the average pay nearly to a common level. The following table shows the recommendations we have made with this object, and that the Bombay officers, if their present rates of pay were unaltered, would be much in excess of the average :—

	Madras.	Bombay.	Bengal and Assam.	North-Western Provinces.	Punjab.	Central Provinces.	Proposed new grading for Madras.	Proposed new grading for Bengal and Assam.
	R	R	R	R	R	R	R	R
District Supdts. of Police. { 1st grade .	2 @ 1,000	3 @ 1,000	7 @ 1,000	4 @ 800	4 @ 1,000	2 @ 1,000	2 @ 1,000	4 @ 1,000
2nd „ .	7 @ 800	5 @ 800	7 @ 800	10 @ 700	6 @ 800	2 @ 800	1 @ 800	6 @ 800
3rd „ .	12 @ 700	7 @ 700	12 @ 700	10 @ 600	11 @ 600	3 @ 700	6 @ 650	10 @ 700
4th „ .	...	4 @ 600	11 @ 600	10 @ 500	12 @ 500	5 @ 600	9 @ 500	13 @ 600
5th „ .	...	6 @ 500	13 @ 500	13 @ 400	...	6 @ 500	...	16 @ 500
Average pay .	21 @ 760	25 @ 692	50 @ 632	46 @ 585	33 @ 648	18 @ 650	21 @ 646	49 @ 645
Assistants . . .	1 @ 600	2 @ 500	16 @ 400	4 @ 300	4 @ 450	2 @ 300	5 @ 400	10 @ 400
	10 @ 500	3 @ 400	15 @ 300	4 @ 250	2 @ 400		6 @ 300	12 @ 300
	2 @ 200				6 @ 350	9 @ 250		
	10 @ 150	10 @ 250	5 @ 250		2 @ 300		8 @ 250	16 @ 250
	2 @ 100		16 @ 200		8 @ 250		9 @ 250	
					2 @ 200		12 @ 200	
Average pay .	31 @ 350	15 @ 313	51 @ 292	8 @ 275	24 @ 321	11 @ 259	32 @ 264	36 @ 305

N.B.—The scale here shown for the North-Western Provinces is not that actually in force, but is the sanctioned scale which is being gradually introduced.

We suggest that the Police in the Bombay Presidency be re-graded on similar principles, in the following manner :—

DISTRICT SUPERINTENDENTS.		ASSISTANT SUPERINTENDENTS.	
Present grades.	Proposed new grades.	Present grades.	Proposed new grades.
R	R	R	R
3 @ 1,000	2 @ 1,000		
5 @ 800	4 @ 800	2 @ 500	2 @ 400
7 @ 700	5 @ 700	3 @ 400	3 @ 300
4 @ 600	6 @ 600	10 @ 250	6 @ 250
6 @ 500	8 @ 500		
Average	25 @ 692	Average	15 @ 313
			11 @ 291

The saving thus effected would amount to R2,500 a month or R30,000 per annum, and it would place the Police Officers in Bombay on a level, as regards pay and prospects, with those of the rest of India. The saving could only be gradual, as the new scale of pay would be introduced by degrees.

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101. We have been struck with the smallness of the extent to which Municipal contributions in Bombay proper, Municipalities in Bombay proper contribute towards the cost of the Police. Before 1884, the only Municipality in Bombay proper which paid any part of the cost of its Police was Poona, which paid only Rs5,000. This, therefore, is the only item to which can be applied the policy of Act II of 1884 for relieving Municipalities of their liability for contributing to Police, and for substituting Educational and Medical liabilities.

102. In Sind, on the other hand, many of the Municipalities paid the whole cost of their Police, and none were altogether exempt. The payments were as follows :—

	R
Káráchi	25,306
Hyderabad	9,719
Sukkur	5,684
Jacobabad	3,766
Shikarpur	3,520
30 Minor Municipalities	14,487
TOTAL	62,482

Their present contributions are Rs42,441; and this amount, added to Aden, Rs10,524, and the Bombay City contribution of Rs2,42,452 (net), makes up the total of Rs2,95,000 estimated for under this head of receipts.

103. The figures which appear under the head of Railway Police. Railway Police Expenditure are as follow :—

IMPERIAL.		R
Police force, excluding superintendence—		
Rajputana-Malwa Railway		9,200
North-Western Railway		23,800
TOTAL		33,000

This amount,—which is stated in the Budget Estimate at Rs35,000,—is paid direct by Government. The Bombay Government appear to have overlooked the fact that seventy per cent. of the first of these charges is recoverable from the Bombay-Baroda Railway Company.

PROVINCIAL.		R
Expenditure		33,000
Receipts		25,000

According to the information given us, the Government pays the cost of Superintendence. The Railway Companies then repay to Government the amount thus spent upon Superintendence; and as they pay, directly, all the other charges, the whole charges thus pass upon the railway accounts. The Company then presents a bill to Government for thirty per cent. of the whole charges thus met. Apparently, therefore, the figures on the Government accounts stand thus :—

EXPENDITURE—		R
(a) Original charges of Superintendence		25,000
(b) Payment to Railway Company of 30 per cent. of the whole charges		58,000
TOTAL		83,000
RECEIPTS—		
Recovery of charge (a) above		25,000

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104. The charges against this head have, however, been as follows :—

	Budget Estimate.	Revised Estimate.	Actuals.
	₹	₹	₹
1884-85	92,000	81,000	53,042
1885-86	83,000	1,08,000	43,368
1886-87 (Budget)	83,000	...	...

So that it would seem sufficient to allow ₹50,000.

105. The charges on account of Village Police, other than the 4,82 paid by assignment of lands, come to ₹3,35,000. The recent actuals have been—

	₹
1883-84	3,43,504
1884-85	3,11,491
1885-86	3,25,396
1886-87 (Budget)	3,35,000

No reason has been given why we should expect a higher charge in 1886-87 than in the two preceding years. It is explained that the details of the payments are subject to fluctuation; but the fluctuation appears to be as much in one direction as another. We note that the Budget Estimates of 1884-85 and 1885-86 were both drawn up on a high scale, which the actuals failed to reach, and we are therefore in all probability making ample provision in taking as our standard 5 less than the estimate of 1886-87.

106. By a recent administrative change the pounds have been taken over from Local management, and their receipts and charges, instead of going directly to Local, are taken in the Provincial account. The income appears to be 1,87 (namely, the 1,91 shown in the Estimates of 1886-87, less 4 shown in those of 1885-86); and the expenditure is stated at 85. The net income therefore is 1,02 and is paid over to the Local bodies; it will be found to be provided for under Contributions.

107. *Receipts.*—The only remark we have to make under Receipts is with reference to the estimate under Miscellaneous. This amount contains—

Clothing recoveries—	₹
District Police	77,387
Presidency Police	10,600
Other receipts	12,013
TOTAL	1,00,000

The rule about clothing recoveries is that from each man's pay a maximum of nine annas per mensem may be deducted; but District Superintendents have the power to lower it, and exercise their power in such a way that in some districts the deduction is only three annas, and the Provincial Government recorded, in a Resolution, dated 14th June 1884, that the average deduction came to 4½ annas per head. We recommend that discretion should not be left to District Superintendents, and that relaxation of the rule should

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be admitted only after consideration and orders by Government, and possibly only in the case of the lowest grade of constables who receive R7 per month; we estimate that in this case we might reasonably expect a recovery of 1,10 instead of 77 only.

MARINE.

108. *Expenditure*.—The expenditure may be classed under three heads :—

	R
1. The <i>Jhelum</i> and flat <i>Multan</i> (about)	30,000
2. The tug <i>Manora</i> and three pilot brigs, Karáchi (about)	27,000
3. Miscellaneous	23,000

109. The *Jhelum* and *Multan* are mainly provided for the use of the Commissioner in Sind. The *Jhelum* is a river boat. It is stated that she was under weigh thirty-one days in 1884-85 and twenty-five in 1885-86; and that she is used to carry the Commissioner to inspect beacons at the mouth of the Indus, to enable Irrigation officers to inspect embankments on the Indus, and occasionally for military purposes, to convey troops when the railway is breached or to places which the railway does not reach. We do not think these objects afford a sufficient justification for the expense incurred. The steamer was useful before the railway was opened, but it is now obsolete and should be given up and sold. If any emergency should occur requiring the use of a steamer, the Government could employ the steamers of the State Railway. We observe that these two vessels were Provincialised in 1883-84, a sum of R50,000 having been made over to meet their charges. The actual average expenditure since then has been R29,133. The tug *Manora* (of which half the cost, R9,000, is already paid for by the Harbour Board), and the Pilot brigs, will be made over to the Port Trust as soon as it is constituted (which will, as we understand, be before 1st April next); and will cease to be a charge on Provincial revenue. The pilotage receipts will also cease to be credited to this head. The miscellaneous charges comprise the life-boat at Alibág (R1,300), the cost of maintaining the Shipping Master's office in Bombay (R19,000), the corresponding charge at Aden (R1,200), where the Port Officer does the work, and Marine Courts of Enquiry Bombay, R1,800. We do not propose to alter this item.

110. *Receipts*.—Budget, 1886-87, R54,000; actuals of 1885-86, R55,740. These are mainly on account of fees on the shipping and discharging of sailors, realised in the Shipping Master's office and amounting to about R47,800. Of the balance, about R4,000 arises from pilotage fees in Karáchi Harbour.

111. Accordingly we fix the Marine Department figures for the Provincial Contract thus :—

	50
Receipts	50
Expenditure	23

EDUCATION.

112. *Expenditure*.—On the expenditure side the Budget of 1886-87 shows an increase of $4\frac{1}{2}$ lakhs over the actuals of 1884-85, and of $3\frac{1}{4}$ lakhs over the actuals of 1885-86. Some

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part of this is due to an over-estimate made to provide against emergencies or unforeseen calls. The Budget may be divided thus :—

	1884-85.	1885-86.	1886-87.
(1) Direction, Inspection, Government Colleges and Schools (excluding special grant for Technical Instruction)	9,82	9,75	10,30
(2) Technical Instruction, Grants-in-aid, Scholarships, and Miscellaneous	2,22	3,57	6,27
TOTAL	16,57	13,32	12,04

Increase under Direction, Inspection, and Government Colleges and Schools.

113. The chief causes of increase in head (1), as compared with 1885-86, are these :—

	R
(a) Director's salary. (He was absent on furlough in 1885-86)	5,000
(b) Inspector in Sind—to be raised from R250 to R500	3,000
(c) Government Colleges (General)—	
Karáchi	10,000
Ahmedabad (increase from R6,000 to R10,000)	4,000
Male Training Colleges	4,000
(d) Government Colleges (Special). Special grant for workshop establishments	3,600
(e) Government Schools (General). Increase of masters when fees have increased	5,000
(f) Government Schools (Special). Increase of stipends, and new practising schools	11,000

114. On these we have the following remarks to make: Item (a) must be accepted. Item (b) will not be wanted if the officer appointed is a Native, as is ordered. Item (c)—The Ahmedabad College appears to have existed hitherto without the increase, and the Karáchi College has not been started, and we think that in the present financial difficulties, and in view of the opinion expressed by the Government of India that extensions of State support should be mainly devoted to primary education, provision should only be made for such a new charge by a corresponding reduction elsewhere. As to items (d), (e) and (f) nothing has been said to show that any special reason for the increase exists. Such grants have a natural tendency to grow as long as a Province is in affluent circumstances, but they afford a natural scope for retrenchment when necessity arises. The Training Colleges in item (c) have (we were told) been started and can hardly now be closed. We admit this item therefore and also item (a), amounting together to an increase of R9,000. On the other hand, the Government has reduced the University grant from R27,000 to R15,000. We consider that the object should be kept in view of making the University self-supporting, like those of Madras and Calcutta, and that the Government should not make any grant unless it finds, on scrutiny of the financial position of the University, that it is really required. Omitting this possible reduction, we think the expenditure under this first main head may be fixed at R9,75,000.

Increase under Technical Instruction, Grants-in-aid, Scholarships, and Miscellaneous.

115. The second head contains a large number of items which must be discussed separately :—

- (a) A new grant of R50,000 for Technical Instruction, of which as yet only R11,500 have been allotted, R10,000 to rewards for drawing and R1,500 for instruction in carpentry at Ratnágiri. The rewards are to be

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given under a set of rules issued in July 1886 in the Educational Department and not yet approved in the Financial Department. We are informed, however, that this is not entirely a new grant, but that rewards of this class have long been given, though the present Budget estimates for an increase. We question whether if the Bombay Government, in the face of an impending financial enquiry and in the knowledge that its income must be reduced, chooses to burden itself with a novel expenditure of this kind, however useful such expenditure may be, it ought to look to the Government of India to enable it to make provision for such expenditure. We think this entire grant ought to be retrenched, except the small item of R1,500 for Ratnágiri.

- (b) Allowances to Educational Institutions, R52,000. These are fixed grants not dependent on results, and the amount is a very large increase over previous figures; but as it has been promised, we think it cannot now be reduced.

- (c) Grants for European and Eurasian children, R22,000, against R6,500 in 1885-86 and R3,274 in 1884-85. The Education of European and Eurasian children. Director of Public Instruction explains that R11,000 are allotted to the support and education of orphan and poor children, and that the expenditure on this head, though it has never yet reached this figure, is gradually increasing. R11,000 is allotted for apprenticing European and Eurasian boys, but only one apprentice has been found. We adopt R11,000 as the figure here.

- (d) Grants to Municipal primary schools, R1,40,000, against R87,000 in 1885-86. This is a new grant. The Act of 1884 having stopped the contributions of Local Funds towards the maintenance of Municipal schools, they have been made over to the Municipalities, and the Government has undertaken to pay one-third of the cost for five years. This undertaking cannot be broken, but of the total sum, R12,000 are provided, we are informed, for new schools in the current year, and we think the grant must be retained at the rate which suffices for the schools which were in existence when the promise was originally made, or at about R1,28,000. We observe from some figures obtained by us that the arrangement made with the Municipalities is even more liberal than at first appears, inasmuch as they are allowed to keep the whole of the fees, and their net contributions are thus considerably less than double the Government grant.

- (e) Grants for payment by results 1,78, against 1,35 in 1885-86. This increase is due to more liberal Grant-in-aid Rules, but these can, and probably will, be revised, and the provision may perhaps be fixed at 1,50.

- (f) Building grants have risen rapidly, from R12,651 in 1884-85 to 1,18 in 1885-86; and 1,25 are provided for 1886-87. This is a grant which can be

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severely retrenched without any material loss of efficiency, and we advise that it be fixed at R30,000.

- (g) The Budget provision for Scholarships is R38,000. • The last year's actuals were R31,000, and we cannot assume a higher figure.

Scholarships.

- (h) We find in the Budget a charge of R12,700 for translation, and we are informed that four translators are employed, one for each Vernacular, at salaries of R200. Their principal task is to criticise and approve works offered to be used as school books. In the last year for which the Report is printed, the Maráthi Translator disposed of 36 such works, the Gujaráti Translator of 27, the Kánarese of nine, and the Sindhi Translator of "a few." They also did a little revision and a little translation themselves. We think that the utility of this work is hardly commensurate with the expense, and that the work might be done by Native Inspectors and Deputy Inspectors in addition to their ordinary work, or for a slightly increased remuneration, if arrangements cannot be made, as is the case elsewhere, for getting it done gratuitously by the assistance of educated Natives. We reduce the grant under this sub-head, which with grants for the encouragement of literature, &c., is placed at R16,000, to R5,000.

116. The total of these heads, and of two small grants of R2,400 and R3,600 which we do not propose to touch, comes to R4,14,500, to which adding the 9,75 from paragraph 114, we get R13,90,000 as the total expenditure on Education to be provided for in the Contract. This, though considerably less than the Budget provision for 1886-87, is a larger sum than was spent in 1885-86, and far larger than the expenditure of any previous year; and our proposal must, therefore, be looked on more as a check to growth than as a reduction in expenditure. If it be argued that the Provincial Government has given pledges for larger expenditure on grants-in-aid and technical education, and that these pledges must be provided for, we think it may be urged on that Government that the cost of such provision ought not to fall on the general tax-payer, but should be met either by reductions elsewhere or by the levy of an additional cess on the people who will profit by the expenditure.

117. It must also be noted that besides the expenditure hitherto treated of, large grants are made to Local Funds for educational purposes which are debited under the head of Contributions from Provincial to Local. The figures for the period covered by the Contract are shown below :—

	As reckoned in the Contract.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.
Grants to schools	2,16	2,11.1	2,24.6	2,21.4	2,22.9	3,23.9
„ for school buildings	4	14.	18.4	24.2	20.	20.

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118. The amount of the Estimate in the existing year is largely in excess of previous grants, and as Local Funds have been relieved of educational expenditure to the extent of about 1,20 (in connection with Municipal schools), they are in a position to increase their educational expenditure to the extent of 1,20, without obtaining any further grants from Provincial Funds. We therefore assume that in the future Contract the Provincial contribution can be reduced to the figure at which it stood in the beginning of 1882, or 2,20.

119. We may further suggest two sources of possible reduction. There are now five Inspectors of Divisions, of whom three are Natives to be employed as Inspectors. English and two are Natives, one of whom is permanent and one officiating. We have questioned whether all of these should not be Natives, but it is urged that for the work of Bombay, and for the inspection of European and Railway schools in the Mofussil, two of the staff should continue to be English. If this view is adopted, there will be a slight reduction of expenditure through employing a third Native at two-thirds salary.

120. The second suggestion is that the Ahmedabad College should be turned into an Aided College, and that at Bombay and Poona, where influential bodies exist who are capable of dealing with education, the Government should gradually withdraw altogether its Arts Colleges and High Schools, or should continue them on the aided system. The Director of Public Instruction considers that, as far as educational efficiency is concerned, this may be done, though the political effect of such a transfer has to be considered by the Government; but he urges that the saving will not be very large, as the fees paid are considerable, and the grant-in-aid (if Government continued to give one) could hardly be much less than what it now

	Net cost to Government. R	Suggested grants. R
Ahmedabad College . . .	10,000	6,000
Deccan College . . .	35,860	12,000
Poona High School . . .	8,873	4,000
Elphinstone High School . . .	9,432	5,000
	<u>64,165</u>	<u>27,000</u>

pays for maintaining the Colleges and Schools as Government Institutions. We estimate the saving, if these Schools and Colleges are liberally assisted, but no longer entirely supported by Government, at R37,000,—*vide* margin.

121. *Receipts.*—On the receipt side the Estimate for 1886-87 is low, no provision having been made for the raising of rates of fees or for increase in the number of pupils. The Rates of fees in Colleges and Schools, monthly rates levied are: at Colleges,—R10 in Bombay itself, and R5 elsewhere; at High Schools, R3 to 4 in Bombay and R1 to a maximum of R3 in six, and R2 in twelve, mofussil schools; in First Grade Anglo-Vernacular Schools, generally speaking, from R1 to R1-8.

122. These rates are in many cases of long standing, and the Director of Public Instruction informs us that it is in contemplation to raise them. Compared with some other Provinces the rates at High Schools appear to us low. At Arts Colleges the fees are about a quarter of the expenditure, at the Law and Engineering Colleges about one-sixth; at High and Secondary Schools they amount to R18 per head, against a total expenditure of R32 per head. We think that if no change in the constitution of the schools takes place, and if the fees are raised, as should be done, the receipt figures may be fixed for the Contract at R3,00,000.

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Medical.

MEDICAL.

123. *Expenditure.*—The charges under Medical are :—

	Actuals, 1883-84.	Actuals, 1884-85.	Actuals, 1885-86.	Budget, 1886-87.	Committee's Estimate.
Medical Establishment	2,68	2,84	2,63	2,80	2,80
Sanitation and Vaccination	1,58	1,69	1,84	1,96	1,78
Hospitals and Dis- } (a) { Presidency	2,85	3,03	2,98	} 5,50	{ 3,21
pensaries } { Mofussil	2,19	2,22	2,27		
Grants for medical purposes	96	78	85	1,00	85
Medical College	59	65	64	55	55
Lunatic Asylums	98	1,20	1,12	1,25	96
Lock Hospital	25	22	23	23	23
Chemical Examiner	22	20	22	24	24
TOTAL	12,30	12,83	12,78	13,53	12,70

(a) About 1,20 or 1,30 of this is for the "Medical Establishment" of the Grant College and Jamssetji Hospital.

124. The first charge under the head of Medical Establishment is for the Surgeon-General and his Secretary. In our enquiries addressed to the Government of Bombay, we called in question the necessity of a Secretary, and we are not satisfied that the work which he does might not easily, so far as it is not purely clerical, be done by the Surgeon-General. We propose, however, to entrust to the Surgeon-General the duties of the existing Sanitary Commissioner, and we think that, if this proposal is carried into effect, it might be premature to abolish the Secretary.

125. The Medical Staff at Bombay is mainly charged under the head of Hospitals and Dispensaries, only two officers being charged to "Medical Establishment." It is composed, first, of nine Professors (of whom one is Principal) at the Grant Medical College. These gentlemen have all secondary duties as follows :—

- 6 are Surgeons or Physicians to the Jamssetji Hospital.
- 1 is Presidency Surgeon, first district,—that is, Malabar Hill.
- 1 is Chemical Examiner to Government.
- 1 is in charge of the Gokuldas Tejpal Hospital.

Other Officers. 126. Besides the Professorial staff there are—

The two Presidency Surgeons of the second and third districts.

The Physician and the Assistant Physician of the European General Hospital where there is a daily average of 76 in-patients and of ten out.

127. As regards the Professorships, the duties involve, we were informed, about four hours a day of work during the Session, between lecturing, preparing for lecturing, attendance at Hospital, and clinical instruction. The Hospital contains about 390 in-patients, who are distributed among the medical officers in attendance. The number of students is nearly 300, and the staff of the College has grown from time to time as the number of students has increased.

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128. We made enquiries as to the possibility of any reduction in this staff. The number of Professorships depends on the standard of education to be provided at the Medical College, which appears not to be under the control of the Government. It is determined by conditions laid down by the Medical Council in England and, unless it is maintained, the lectures do not qualify for diplomas in English Institutions.

129. The attachment to any of the Professorships of the duties of the second and third districts does not appear to be a feasible measure. The first district, Malabar Hill, is a light one, and is so attached; but the other two, Colába, and Byculla and Mazagon, involve such considerable distances, that a Professor who has duties at the College and the Jamsetji Hospital is not practically available for their medical charge.

Surgeons-Major and Surgeons.

130. The twenty-five Surgeons-Major and Surgeons shown in the estimates are thus made up—

Second and Third districts, Bombay	2
Eighteen districts, except Colába and Sholapur	16
Three Sind districts	3
Sukkur, Mahableshtar, Matheran	3
Assistant at Poona	1
	—
	25
	—

131. It is laid down that six of the districts shall be provided with Uncovenanted Medical Officers; but there is only one of these six, namely, Sholapur, which is not provided with a Commissioned Medical Officer. It will be an obvious economy, as vacancies occur, to fill them up with Uncovenanted instead of with Commissioned Officers, and to post them to the five districts designated to receive them.

132. We think that the Government of Bombay should consider the necessity of maintaining the following appointments, or at least of requiring a Commissioned Medical Officer for them :—

- (1) The Surgeon at Matheran. It seems to us that Government could provide much more cheaply for the medical services at this station, which are for the most part not of a kind which the Government is bound to provide. The Surgeon is also in civil charge of the station, but his work in this respect is not of a higher character than is performed by subordinate revenue officials elsewhere. The same remark applies to Mahableshtar also, provided a temporary Civil Surgeon can be deputed there during the three or four months when Government make it their head-quarters.
- (2) The Assistant Civil Surgeon at Poona. This office is only of recent creation. We do not doubt that the work would be heavy for the Civil Surgeon if he had no assistance, but it does not occupy the whole of his time, and is not necessarily heavier than at some other large civil stations; and we hold that where a Civil Surgeon, by reason of his lucrative private practice, is unable to perform the whole of his regular official work, he should himself pay for the assistance he requires.

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133. Besides the Civil Surgeons there are three Apothecaries in charge of Apothecaries at Sholapur, Sholapur, Dápulí, and Kotrí. It appears doubtful if the Dápulí, and Kotrí. latter is longer required, as the importance of Kotrí is now much diminished. Possibly the same remark applies to Dápulí.

134. We have reckoned the cost of the services classified under the head of Establishment at the Budget figure 2,80, though it would appear that the Budget reckoning is made at full rates, and for the most part a saving is made in the end.

135. For sanitary purposes (including Vaccination) the Presidency is divided into six Circles :—

CIRCLE.	Deputy Sanitary Commissioners.	Superintendents.	Assistant Superintendents.	Inspectors.
Western	1	...	...	6
Central	1	...	...	6
Southern	1	...	..	4
Eastern Guzerat	1	...	...	5
Western Guzerat . . . . .	...	1	2	...
Sind	1	...	..	6
	5	1	2	27

The Western Guzerat district differs from the others in this respect, that provision is not made in it for sanitary work proper ; it is, therefore, provided only with a Superintendent and two Assistant Superintendents of Vaccination.

The work and cost of the Department. 136. The work of the Department is mainly—

- (1) Registration of Vital Statistics ;
- (2) Vaccination ;
- (3) Sanitary Inspection of Villages, &c. ;

and its cost to Provincial Revenues was 1,69 in 1884-85 and 1,84 in 1885-86. The estimate for 1886-87 is the same as that for 1885-86, viz., 1,96, but there does not appear to be any really increased scale of expenditure, and 1,84 would seem to be sufficient to allow.

137. We have made the suggestion for other Provinces, and we find no difficulty in respect of it in Bombay, that the appointments of Surgeon-General and of Sanitary Commissioner ought to be amalgamated. We are informed both by the Surgeon-General and by the Sanitary Commissioner that, so far as concerns the amount of work that has to be done by the heads of these Departments, there is no reason why one officer should not suffice for both. They both say that the only difficulty would be that of finding an officer, who possessed the special qualifications required in a Sanitary Commissioner, which, however, does not appear to be insurmountable considering the area of choice, which the Government of Bombay has at its disposal.

138. In the event of such an arrangement being made, the sanitation duties in Sind would be undertaken, in the same way, by the Deputy Surgeon-General of Sind, who is at present a charge upon the Military estimates.

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139. We do not think there is sufficient justification for such a strong establishment as is involved in five Deputy Sanitary Commissioners. The compilation of vital statistics is obviously, for the most part, the business of clerical establishments, and is sufficiently provided for by fewer than five Centres. The Vaccination work is carried on by one Inspector for each district (with one or two extra in large ones), each of whom has to look after about ten Vaccinators paid from Local Funds. (This excludes the Vaccinators and Inspectors in Native States.) Thus the Deputy Sanitary Commissioner has to supervise and check the Inspector's checking of the Vaccinators. A fair measure of the work of the Deputy Sanitary Commissioners may be obtained from the following statement of work done away from their head-quarters:—

District.	Days out.	Villages visited.	Children inspected.	REMARKS.
Western	89	124	4,660	Out of about 90,000 persons vaccinated in each Circle.
Central	64	136	4,053	
Southern	118	180	7,241	
Eastern Guzerat	146	297	7,405	
Western Guzerat	76	120	14,449	
Sind	149	284	7,363	

As these gentlemen are rather supervising and controlling officers, each of them having a staff of Inspectors below him, we see little reason to apprehend any harm, if their number is reduced to one for each of the three Commissioners' Divisions. Less work of checking and inspection might be done by the smaller number of Deputies, but the number even then remaining would be larger than in any of the other Provinces of India.

140. With three Deputies in the Presidency proper, the Surgeon-General and Sanitary Commissioner would, it appears to us, have sufficient special assistance at hand in the event of any outbreak of disease specially occupying the attention of the Sanitation Department.

141. We do not see that Sind requires a special Deputy Sanitary Commissioner over and above the Deputy Surgeon-General. It has already six Inspectors of Vaccination.

142. The Civil Surgeons should in all cases be given to understand that general duties in connexion with Sanitation are included in their functions. We understand that this is already the accepted theory in Bombay.

143. The city of Bombay is, so far as Vaccination is concerned, specially supervised by a "Superintendent of Vaccination," who, we think, should be paid for by the Municipality and not by the Government. Vaccination is compulsory in Bombay, and the Municipality, though they pay the vaccinators, throw the charge of the superintendence upon the Government. It has been suggested to us that the work might be performed by the Municipal Health Officer or by the Port Surgeon.

144. Two Port Surgeons are charged under the head of Sanitation, namely, one for Aden and one for Bombay. Half the cost of the former is paid from Port Funds, and half the cost of the latter will be so paid. The cost will be about Rs4,000 less than entered in the

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estimates. There will also be a similar saving of ₹2,000 in the cost of steam launches.

Possible savings under this head.

145. The savings which might accrue under this head out of the recommendations we make are:—

	₹
Sanitary Commissioner abolished	24,000
Two Deputy Sanitary Commissioners and one Superintendent, about	24,000
or, adding travelling allowances, &c., say	50,000

Of these and other suggestions no reckoning is taken in our estimate pending the decision of the Government as to whether they should be carried out; but as ₹6,000 of cost is to be undertaken by the Port Trust, in respect of the Port Surgeon, the total provision may be reduced from 1,84 (see para. 123) to 1,78.

146. The large cost under the head of Hospitals and Dispensaries is accounted for by the fact that the salaries of the Hospitals and Dispensaries, Presidency. Professors of the Medical College are charged to it.

Provision necessary. The hospitals concerned are the Jamsetji, the European General and the Gokuldas, the charges of which are borne by Government, except that the following contributions are received:—

	₹
Jamsetji—from Endowment	12,540 a year.
European—from Port Trust	13,500 „
Gokuldas—from Municipality	36,000 „

Excluding the new. Cama Hospital the estimated charges in the Budget for 1886-87 are 3,15, but the actuals for three years to 1885-86 were 2,85; 3,03; and 2,92. There seem to be no new charges besides about ₹4,000 for compounders, who have become necessary by reason of the temporary cessation of the supply of medical pupils; so that 2,96 seems sufficient probable provision.

147. The Budget provides ₹35,000 for the Cama Medical Hospital, but ₹10,000 of this represent initial charges, and it is not necessary to provide permanently more than ₹25,000.

148. The provision under this head may be stated at 3,21.

149. We observe that ₹62,000 is provided for the cost of rations of patients, the average cost of each diet being stated at $4\frac{1}{2}$ annas.

Cost of rations. This rate seems to us very high, even for Bombay, and the information given us with reference to the arrangements for supply (see under Lunatic Asylums) leads us to think that with a little effort it might be reduced.

Hospitals and Dispensaries, Mofussil. 150. The following is the Revised Estimate, 1885-86, for Mofussil Hospitals and Dispensaries:—

	₹
Establishments, &c., of Hospitals and Dispensaries	1,97,000
Allowances for attending Educational, &c., Institutions	5,000
Contribution to G. I. P. Railway for services at Igatpuri and Bhūsáwal	3,000
Allowances in Commissioners' Establishments	3,000
	2,08,000

A somewhat higher estimate has been made for 1886-87; but, so far as we can learn from the Surgeon-General, the increase does not represent any anticipation of actual higher expenditure, but is entered only by way of making full

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provision, although each year, for one reason or another, shows a certain amount of savings.

151. At every or almost every district head-quarters there is a Civil Hospital, and these Civil Hospitals are, with small exceptions, entirely maintained by Government. The only exceptions are that in the following cases contributions are recovered from the Municipalities: Karachi, R1,200; Hyderabad, R978; Aden, R2,001; Broach, Ahmednagar, Karwar, Ahmedabad and Tanua, sums varying from R88 to R400. The Ahmedabad Hospital has an endowment of R2,100. As the expenditure in these hospitals comes to nearly two lakhs of rupees, without reckoning any part of the salaries of Civil Surgeons, we think the question should be considered whether Municipalities or Local Funds should not be made to bear a much more substantial part of the cost; or, in the event of their refusing, whether the expenditure on the part of Government cannot be curtailed. We are informed that people, who are well able to afford and pay for treatment, constantly use these hospitals and the services of the Hospital Assistants without payment.

Distribution of hospital expenditure.
for 1885:—

152. The following is an abstract of the statistics of hospital expenditure in the Departmental Report

	Bombay City.	Foreign, Aden, &c.	Bombay Mofussil.	Total.
Revenue—				
From Government—				
Medicines	18	2	36	56
Cash	2,63	41	4,17	7,24
From Local Funds . . . . .	...	...	62	62
From Municipal Funds	36	4	79	1,19
From Miscellaneous Sources	14	2	9	25
From Investments and Subscriptions	1	2	24	27
	3,32	54	6,27	10,13
Expenditure	3,28	51	6,12	9,94

153. The above figures do not agree with the Accounts, according to which the amount spent by Government on Hospitals and Dispensaries in 1884-85 was—

From Government Funds.	Accounts.	Figures of the Departmental Report.
Presidency Hospitals, including about 1,20 for salaries of Surgeon-Professors	3,03	2,63
Hospitals in Mofussil, about	2,00	
Civil Surgeons' salaries, „	2,30	
Grants to Dispensaries, „	74	
	5,04	{ 44 4,17
TOTAL	8,07	7,24

154. It thus appears that the expenditure of Government is greater than would appear from the Report. Taking the figures of the Report (*vide* paragraph 152) as accurate, however, we find that they include, as a charge of the hospitals and dispensaries, the salaries of the Surgeons and Civil Surgeons. If we omit these, we find that in the Presidency Town Government bears about 1,43 of cost against 36 paid from Municipal Funds, and that in foreign stations

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and the Mofussil, Government pays about 2,31 a year, or 2,69 if supply of medicines is included, against 62 paid by Local Funds and 83 by Municipalities. In other words, if Government were to pay only half the cost (besides supplying the supervision), it would pay only 2,18 instead of 2,69. But the accounts are by no means clear, and it is difficult to form certain conclusions.

Attendance at Educational,
&c., Institutions.

155. The "Allowances for attending Educational, &c., Institutions" (*vide* paragraph 150) refer to the following:—

	R
Civil Surgeon, Poona, for Deccan College and College of Science	200
Do., Sukkur, for Indus Valley Railway	200
Do., Dhárwār, for Training College	50
and three others of R50, R30, and R20.	

156. A similar allowance of R100 is given in Bombay to one of the District Surgeons for attendance at the Elphinstone College.

157. We enquired what actual work was done in return for these allowances, but the replies only inform us that visits are paid to the Educational Institutions, and that the students may, if they like, avail themselves of the opportunity for consulting the Surgeon. We do not see why students should in this way be provided at the cost of the Government with special medical attendance, and both for this reason and because we are given to understand that the cases are few, in which the necessity for treatment really rises, we think these allowances should cease to be given. The allowance of R200 given to the Civil Surgeon at Sukkur is on a somewhat different footing, being for the supervision of the medical arrangements of the Railway, which are under two Apothecaries on R400 and an establishment of about R1,000. The allowance was sanctioned in 1883 by the Secretary of State.

158. The third item shown in paragraph 150, the full amount of which is R310 per mensem, is paid towards the Railway dispensaries at Bhusáwal and Igatpuri, and the Company in return undertakes to provide for the public and for Government servants, and to carry out any medico-legal work that may arise.

159. The fourth item shown in paragraph 150 includes R25 each to the three Hospital Assistants who attend the camps of the Commissioners, and apparently some other similar allowances. We are informed that these allowances are to cease with the existing incumbents. It seems to us that the practice of attaching Hospital Assistants to the Commissioners' camps should cease.

160. It would appear that every Assistant Surgeon charged to the head of "Hospitals and Dispensaries" gets a special allowance. These Assistants are in three grades, on R100, R200, and R300; but when they are in charge of hospitals or dispensaries, which is their normal duty, they get a special allowance of R25, which the Surgeon-General may increase up to R60. We cannot see why these allowances should be given. The duty, in respect of which they are given, is that for which the salaries are drawn.

161. We think that the Government should also consider the necessity of maintaining the present Civil Hospital at Kotri. That place was of some importance, when it was a terminal station of the Railway, but it has for some time lost this position, and it is doubtful if an Institution on the existing scale is longer required.

Kotri Civil Hospital.

Allowances to Assistant
Surgeons.

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162. The amount charged under the head of Grants for Medical purposes was R78,000 in 1884-85 and R85,000 in 1885-86. It represents, for the most part, the grants to dispensaries which are fixed on the principle of not exceeding half the cost, and are liable to revision every three years. The last revision was made in 1883, and issued in a reduction of the total from R1,04,443 to R82,824. Another revision is now due, and it may be presumed that it will not result in an increase of the expenditure under this head. It is rather difficult to find out what proportion this expenditure really bears to the whole cost of these dispensaries, and how much Local and Municipal Funds severally contribute to the same dispensaries. The figures in the Hospitals and Dispensaries' Report cannot be reconciled with the figures of the Account Department (*vide* paragraphs 152 and 153), but as the Government appears to fix its contribution upon the basis of the figures in the Report, it would seem to be worth while to enquire whether the R85,000 spent by Government in dispensary grants is really met by an equal amount from other contributing funds.

163. The greater part of the cost of the Medical College, *viz.*, the salaries of the Professors, has been dealt with in connection with the head "Medical Establishment." The charges made under the head "Medical College" include only the allowances for minor Professorships and the cost of eleven tutors and demonstrators. The cost of the Institution can be diminished only by the levy of fees from the students, and these are now fairly high, the income having risen from R1,345 in 1872-73 to R26,380 in 1885-86. The following statistics have been given to us:—

Medical students (paying)	.	.	212	.	income for year	R25,440
Ditto free	.	.	9	.		
Female students, of whom two are free	.	.	15	.	ditto	„ 780
Military pupils	.	.	41	.		
Soldiers' wives	.	.	2	.	ditto	„ 120
Casual midwife students	.	.	2	.	have paid	„ 40
TOTAL			281		TOTAL	R26 380

164. As regards the Minor Professorships on R200 a month, they were intended to be additional allowances for short courses of lectures, but in the order fixing the rates of remuneration it was distinctly provided that these allowances should not be given so as to increase the whole remuneration of any officer above that of a full Professorship, *i.e.*, R850, R1,050 or R1,250, according to standing (paragraph 11 of G. G. O. of April 1867). The allowances in Bombay appear, in most cases, to be given in addition to the salaries of full Professorships, four of the Minor Professorship allowances being given to officers who already hold full Professorships.

165. The Lunatic Asylums in Bombay are very costly as compared with those in other parts of India. The matter was recently investigated and reported on by the Surgeon-General, who ascribed it mainly to the higher wages of servants, the higher prices of food in Bombay, and the higher proportion of European lunatics, and came to the conclusion that nothing could be done to reduce the cost. We are not satisfied that no successful exertions can be made in this direction in matters of detail. There is certainly one prominent matter in which

The Future Provincial Contract with Bombay.

Scientific and other Minor Departments.

a saving seems easily possible. Up to the end of 1882 the contracts for supplies to the Asylums were made by the Commissariat Department, but they were then made over to the officers in charge, with the result that the rates demanded and accepted were very much higher than before. The figures are as follow :—

Year.	Number of Patients.	Diet and Clothing.	
1881	633	27,379	} Commissariat .
1882	625	26,735	
1883	611	30,232	
1884	626	51,238	} Medical Department.
1885	653	45,990	

We do not see why this costly result should be accepted. Lunatic asylums cost 1,20 in 1884-85 and 1,12 in 1885-86, and it would appear from the above figures that, if the supplies were arranged for at fair prices only, we should get a saving of, at least, 21 on the first of these figures and of 16 on the second; we therefore take the estimate at 96 only.

166. We observe that an Asylum is maintained at Dhárwár for only twenty patients. We think this asylum should be closed, as the patients could be provided for at Poona. Their cost at Dhárwár was in 1885 as high as R250 per head.

167. *Receipts.*—The receipts under Medical are estimated as follows :—

	R
Medical College fees	28,000
Hospital receipts, (nature not stated)	16,000
Lunatic Asylum receipts (paying patients and manufactures)	12,000
Contribution of Port Trust to European General Hospital	13,000
Miscellaneous	6,000
TOTAL	<u>75,000</u>

SCIENTIFIC AND OTHER MINOR DEPARTMENTS.

168. The Budget Estimates under this head contain the following items :—

	Charges.	Receipts.
	R	R
Agricultural Department	43	...
Observatories	16	...
Donations to Societies	4	...
Experimental farms and Cotton Department	28	10
Ditto Factories	11	...
Public exhibitions	5	...
Bull and stallion charges	50	...
Botanical gardens	11	7
Trade statistics	21	...
Examinations	1	...
Veterinary College	36	...
Miscellaneous, including the Reporter on the Native Press	19	4
	<u>2,45</u>	<u>21</u>

Our estimate for the future differs from the above only in omitting 16 of expenditure under Veterinary College.

169. The charge under the head of Agricultural Department commenced in July 1883, when the establishment was first formed in a tentative way. When finally established in October 1884 it consisted, besides the Director, of a Personal Assistant on R400 and an establishment of R670, who represented the head-quarters office.

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Scientific and other Minor Departments.

170. It is intended, as in other Provinces, that as the work of the Survey and Settlement Department in each district is finished, the records shall be made over to the Agricultural Department and by them be kept up to date. This will necessitate the formation, from time to time, of a small district staff, of which the present measure is, for each district, an Inspector on R100, an Assistant on R60, and subordinates on R50, 20, and 12. In two districts only, Dhárwár and Bijápur, has this stage as yet been reached. It is intended, also, to add to the department (by transfer from the Survey Department) Assistant Superintendents of Survey—one for every two or three districts.

171. We accept the existing estimate of the charge of this department. Its future increase will presumably be met, partly from the increase of Land Revenue coming in by the Settlements, and partly from the reduction of the establishments of the Survey and Settlement Departments.

172. The charge of R16,000 represents the cost of the Government Observatory in Bombay, which conducts magnetic and astronomical observations, gives the time to the shipping, and takes charge also of meteorological reporting.

173. The estimates under "Experimental Farms, Cotton Department, and Miscellaneous," are somewhat mixed up, and the aggregate of R47,000 is more accurately stated as follows:—

Experimental Farms under the Director of Agriculture—

Two Superintendents, Khandesh and Sind, on R375+30	R 9,800
Two Assistants on R80, one of whom is half paid by Municipality	1,500
Other establishment and expenditure on the Farms	16,700
For agricultural experiments by the Director of Agriculture	10,500
TOTAL	38,500

Miscellaneous—

Reporter on Native Press	8,000
Miscellaneous	500
	8,500

174. The two farms in Khandesh and Hyderabad respectively appear to be doing useful work. The former is used, half for cultivation of cotton seeds, and half for improvement in the breed of cattle and sheep; the latter is mainly used for experimental cultivation.

175. It is doubtful if it is necessary to provide more than R5,000 for the experiments made by the Director, as the provision for 1886-87 is in excess of his ordinary expenditure, but it is for the present intended to spend the full amount proposed, and we take the whole estimate as it stands. The farms bring in receipts which are estimated at R10,000.

176. The charge wrongly classified as "Experimental Factories" is for the Inspector of Factories in Bombay Island. He is appointed under an Act which makes him entirely a charge upon the Government.

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Superannuation Allowances and Pensions.

177. The charges under the head of Bull and Stallion
Bull and Stallion Charges. Charges amount to 50, as under :—

	R
Superintendent R4,800, Clerks R1,608, Inspectors, &c., R5,280,	
Travelling allowances R3,500, Rents R240	15,428
Purchase of stallions	10,000
Feed and keep of stallions	15,700 (a)
Grants for horse shows	8,900
TOTAL	50,028

(a) An equal amount is paid by Local Funds.

178. We have no remark to make at present on this expenditure. It is to a very slight degree controlled by the Local Government, and is managed on the same principles as the corresponding department for the Punjab and North-Western Provinces, which is an Imperial charge, and on which we propose (b) to write a separate Note.

179. The charge under Botanical Gardens is mainly for the garden at Poona, which is partly maintained for the benefit of soldiers, partly for the European residents of the place, so that the charge ought properly to be borne by Cantonment and by Municipal funds conjointly. The garden does not appear to require a highly-paid Superintendent on R350 a month, but, as Government cannot at present avoid this charge, the estimate is accepted. There are some corresponding receipts.

180. The estimate under the head of Veterinary College is composed of R32,000 for a Veterinary College recently instituted in Bombay and of R4,000 for a Veterinary class in the College at Poona. Of the first of these, one-half represents non-recurring charges which were necessary at the institution of the College, but which will immediately cease. We are somewhat doubtful if the expenditure on the present scale (a Veterinary Surgeon on R900 a month) is altogether warranted. But, as the College is only in its experimental stage, it is perhaps too soon to say it is not necessary. We therefore provide the 16 for Bombay and the 4 for Poona. At the same time we think that one institution of the kind, either at Bombay or at Poona, should be enough for the Presidency, and we consider that some economy is possible in the expenditure.

181. R10,500 of the Miscellaneous charge belongs properly to Experimental Farms, and is noted upon under that head. Of the rest Miscellaneous. R8,000 is the charge for reports on the Native Press and is composed, half of the salary of the Reporter (R350 a month), and half of salaries of assistants and other charges. The work appears large enough to require a separate staff.

SUPERANNUATION ALLOWANCES AND PENSIONS.

182. The following are the figures of past years :—

	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget
	R	R	R	R	R
Provincial Receipts	1,10	1,14	1,25	1,31	1,60
„ Expenditure	11,60	11,71	12,06	12 29	12,95

(b) The Committee dissolved before this intencion was carried out.

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Stationery and Printing.

The large increase in the receipts and expenditure in 1886-87 is due to the transfer to the Provincial account of the balances, receipts, and liabilities of the Police Superannuation Fund. We may take the Budget Estimate as the present standard of the expenditure. We are not aware whether the Bombay Government will desire to retain or to give up this head to Imperial, but our local colleague, Mr. Lec-Warner, was desirous that it should be given up because it is a constantly increasing source of expenditure, over which the Government has little control. The permanent members, on the other hand, recommend that the Province should retain a pecuniary interest in keeping the expenditure as low as possible, towards which a good deal can be done by abstaining from a rigid enforcement of the fifty-five years' rule. The assignment of pensions is also often closely connected with questions of revision of establishment, which in Provincial Departments may usually be finally disposed of by the Local Governments.

STATIONERY AND PRINTING.

183. *Expenditure.*—The principal charges under this head are those for stationery supplied from the Central Stores, and those for Government printing. The cost under the former of these heads was 2,81 in 1883-84, and 2,26 in 1884-85; and 2,50 is shown both in the Revised Estimate for 1885-86 and in the Budget Estimate for 1886-87. The consumption is very carefully regulated in detail, that is, rules are laid down for the testing of demands for issue of stationery; but we would suggest the advisability of having comparative statements prepared and submitted to scrutiny, showing the amount which each office contributes to the consumption of about 2½ lakhs worth of stationery in each year.

184. The charges for Government Presses show a tendency to increase. The figures of 1883-84, 1884-85, and 1885-86, are 2,65; 2,70; and 2,78; and 3,21 is entered in the Estimates for 1886-87. Of this increase, 24 is temporary only, being a charge for rent. The Government sold the building in which the Press is located, subject to occupation for two years at a rent of R24,000. This charge, therefore, has not now to be provided for, and the Estimate should stand at 2,97, which still leaves an excess of 19 over the expenditure of 1885-86. So far as we have been able to judge, the Press is economically worked, and it is probable that the increase of 19 may turn out to be, to a large extent, mere margin of estimating. The rates actually paid for the work are quite as low as any in the other Presses in Bombay; but the Press apparently values its work and keeps its accounts at much higher rates,—a matter of no great importance, so long as the normal rates do not affect the actual payments.

185. We observe that convict labour is very little used for printing in Bombay, the Central Press doing even the whole of the form printing for the Presidency. We note also that no provision is made for the auditing of the Press accounts.

186. The Commissioner in Sind has a Press costing from R23,000 to R27,000 a year, of which R3,600, or about 15 per cent., represent the salary of the Superintendent. We greatly doubt the economy of small Presses. In the present case, the Press may be useful for Sindhi work; but one-third of the work is composed of small orders for

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Miscellaneous.

English printing, which it is probable would be more economically arranged for (if required at all), under the general system applicable to the rest of the Presidency.

187. For similar reasons we have recommended in our Note (a) on the High Court that the small Press required for the work of the Court should be placed under the control of the Superintendent of the Central Press.

188. The small Press for the Alienation Department in Poona is required for printing certain valuable and confidential old records.

189. The Budget Estimate for 1886-87 contains a provision of Rs. 8,000 for printing at private Presses which is admitted to be much more than is required. The usual expenditure is only Rs. 4,000.

190. We have enquired regarding the cost of the Stationery Office in Bombay. It does not seem to us to be excessive considering the large area of country over which it has to send its supplies.

191. We therefore, pending the Revised Estimates, accept the Budget for 1886-87, as regards expenditure, after deducting Rs. 24,000 rent for the Press building, and Rs. 4,000 over-estimate for private printing.

192. *Receipts.*—On the receipt side a mistake has been made in crediting as Provincial the recovery of Rs. 16,000 from Berar for stationery supplied to it, which should be a purely Imperial item. Deducting this amount as Imperial, we accept the Budget Estimate as regards the rest of the receipts.

MISCELLANEOUS.

193. *Expenditure.*—The figures are as under :—

	1884-85, Actuals.	1885-86, Actuals.	1886-87, Budget.	Committee's Estimate.
	R	R	R	R
Examinations in Oriental languages	14	11	10	10
Subscriptions to Periodicals, Reuter, &c.	14	14	14	14
Donations for charitable purposes	21	25	22	22
European vagrants	8	8	9	9
Destruction of wild animals	13	14	15	15
Special Commissions	4	12	50	4
Petty establishments	17	16	18	18
Write-off of loans	6	1,80	5	5
Rents, rates, and taxes	92	75	94	68
Other items	14	19	22	17
TOTAL	2,03	3,74	2,59	1,82

194. The expenditure on Examinations includes fees paid to the Examining Committee. Of these Committees there are two, the Civil and Military Examination Committee and the

(a) *Vide* Volume II, Chapter V, Section A, paragraph 18.

The Future Provincial Contract with Bombay.

Public Works.

Central Committee. The permanent members of the first of these are the Commissioner of Police, the Superintendent of Army Clothing, and a retired Oriental Translator, and they receive fees for each candidate examined running from R15 to R150. Although it is reasonable to pay fees to persons specially employed for these examinations, we are of opinion that officers of Government of the position of those just named should not receive special remuneration for occasional work of this kind.

Subscriptions to Reuter. 195. The subscriptions to Reuter cover, we are informed, the telegrams to all the Governments in India.

196. The high charge for Special Commissions of enquiry is due to the Special Commissions of on- Forest Commission now sitting. We take for the future quiry. only the ordinary charge of 4.

197. The charge for rents, rates, and taxes is composed of two payments made to the Municipality of Bombay, *viz.*—

(1) R51,287, consolidated rate for all Government buildings.

(2) A payment for water at two-thirds the general rate.

The annual amount of the latter appears to be about R37,000, but as R20,000 of this is in future to be charged to the Military and Marine Departments, R17,000 is enough to provide, and we take 68 as the charge under this sub-head. The payment of R17,000 represents a supply of 100,000 gallons a day, which seems to us to be a very large consumption for the Government buildings and offices.

198. *Receipts.*—The receipts under Miscellaneous for the six years ending 1885-86 have been—

	1880-81.	1881-82.	1882-83.	1883-84.	1884-85.	1885-86, revised.
	R	R	R	R	R	R
Unclaimed deposits	10	33	92	8	14	70
Other receipts	73	101	80	51	90	50
TOTAL	83	134	172	59	104	120

199. The Budget Estimate of 62 for 1886-87 seems rather low, and is accepted only if the Revised shows no ground to expect an increase.

PUBLIC WORKS.

MISCELLANEOUS RAILWAY EXPENDITURE.

200. This small charge is not likely to continue.

MINOR IRRIGATION WORKS.

201. The Minor Irrigation Works are of the following classes:—

- Class A.—Works for which both Capital and Revenue accounts are kept.
 „ B.— Do. only Revenue accounts are kept.
 „ C.— Do. neither Capital nor Revenue accounts are kept.

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Public Works.

Estimates for the future. 202. The following estimates have been given us of the future of Irrigation Works in Bombay :—

	Actuals, 1884-85.	Budget, 1886-87.	Future forecast.
	₹	₹	₹
REVENUE—			
<i>Irrigation and Navigation—</i>			
Class A—			
1. Sind	33,025	30,640	34,000
2. Deccan and Guzerat	45,975	55,510	59,000
Class B—			
3. Sind	41,439	39,580	41,800
4. Deccan	3,497	3,960	4,150
Class C (Agricultural Works)—			
5. Sind	187	170	200
6. Deccan	98	30	50
<hr/>			
TOTAL	1,24,221	1,29,890	1,39,200
<hr/>			

EXPENDITURE—

Irrigation and Navigation—

Class A—

1. Sind	{ Capital	26,000	19,180	29,000
	{ Revenue	3,78,870	3,24,100	3,88,000
2. Deccan	{ Capital	1,42,270	1,58,180	90,080
	{ Revenue	53,300	76,370	61,400

Class B—

3. Sind	{ Extensions and im- provements	8,59,360	{ 70,150	1,45,000
	{ Maintenance			
4. Deccan	{ Maintenance and re- pairs	1,68,660	{ 6,37,300	5,92,000
	{			
			{ 1,68,660	1,72,100

Class C (Agricultural Works)—

5. Sind	{ Maintenance and re- pairs	99,230	{ 72,850	68,900
	{ Works in progress			
6. Deccan	{ Maintenance and re- pairs	6,200	{ 53,310	10,000
	{			
			{ 6,200	6,200

TOTAL 15,59,030 15,86,300 15,12,680

203. In the above statement the works have been separated into classes numbered 1 to 6. The detail of classes 1 to 4 will be found in the Finance and Revenue Accounts for 1884-85, as follows :—

	₹
1. Class A—Sind, page 126, against the total of	2,600
2. Do. —Deccan, page 125, against the total of	14,227
3. Class B—Sind,	
4. Do. —Deccan, } page 118, against the total of	4,494

They include the whole of the minor irrigation works in Bombay, and they

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have hitherto been entirely Imperial. The works in Sind are mostly canals, on some of which there has been a considerable capital outlay. Those in the Deccan consist mostly of a large number of tanks each of which costs only a small sum each year, and which, from a financial aspect, are far too petty and detailed to be supervised by so distant an authority as the Imperial Government.

204. It will be seen that only a small amount of capital expenditure is shown in the future forecast. We have omitted an item Future capital expenditure small. involving an outlay of Rs1,95,077 a year entered in the Local Government's forecast, as required for proposed new works, a kind of outlay of which the Provincialisation is somewhat difficult, and for which it may not be possible at the present moment to provide. In the rest of the forecast there is only about Rs1,19,000 a year of purely capital expenditure, besides Rs1,45,000 for extensions and improvements in Sind.

205. It seems desirable therefore to propose to the Provincial Government Proposed Provincialisation of irrigation. the Provincialisation of the whole of its minor irrigation,—on an assignment of the net amount calculated upon its own forecast—namely, revenue 1,39,200, expenditure 15,12,680; net 13,73,480.

Past years' actuals.

206. The actuals of the past years have been—

	Revenue.	Expenditure.
	R	R
1882-83	1,01,550	16,34,160
1883-84	1,21,840	15,68,060
1884-85 (as by above detail)	1,24,220	15,59,030
1885-86 (revised)	1,27,000	16,17,000

The saving in the Bombay Government's forecast, as compared with these figures, appears to be in the diminution of capital expenditure, the works being now nearly complete. If any new works are undertaken in future, we recommend that they shall be executed out of capital on which the Province will pay interest to Imperial, the interest becoming payable, as proposed in our separate Note (a) on this subject, at the close of a term of years (not exceeding ten in number) after construction is completed and the work brought into use.

CIVIL WORKS.

207. *Revenue.*—The revenue of the three years to 1885-86 was 7,10; 8,17, and 7,99. The Budget for 1886-87 gives 7,53, Decrease of toll receipts. ascribing the falling-off to the diminution of toll receipts by the opening of the Southern Mahratta Railway. We may expect better figures, but pending the Revised Estimate we take the Budget as it stands.

208. *Expenditure.*—We have received a copy of a Note by General Good- Note by General Good-fellow. fellow giving the history of the Provincial Public Works grant, and showing that the average outlay on Provincial Public Works in Bombay during the ten years ending 1885-86, excluding outlay by Civil Officers, has amounted to Rs32,49,835 per annum.

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Public Works.

Statistics of the past.

209. The figures of past years are as under :—

Statement showing the Expenditure on Civil Works in the Bombay Presidency from 1878 to 1887.

—	Original works.	Repairs.	Establishment.	Civil Officers.	Other charges.	Total.
1878-79 . . . . .	...	...	...	...	...	28,22
1879-80 . . . . .	...	...	...	...	...	26,04
1880-81 . . . . .	...	...	...	...	...	24,37
1881-82	7,95	12,49	8,13	54	13	29,24
1882-83	12,55	12,22	8,82	1,00	16	34,75
1883-84	14,02	12,20	9,52	53	23	36,50
1884-85	19,04	13,14	9,02	55	25	42,00
1885-86 (Revised)	11,97	12,93	9,36	86	34	35,46
1886-87 (Budget)	24,22	13,50	8,00	97	30	46,99

210. General Goodfellow claims a normal grant of 14 lakhs for repairs and of 9 lakhs for establishment; but the above figures show that, judging from the experience of past years, $12\frac{1}{2}$ lakhs are sufficient for repairs and $8\frac{1}{2}$ for establishment. Allowing one lakh in addition for work done under Civil officers (mostly arboriculture) and for Miscellaneous, we take 22 lakhs as the obligatory expenditure of the Province on Public Works. Any surplus that may be over will be available for original works.

211. Besides the Provincial expenditure, the sums laid out on Public Works from Local Funds during the past six years (including the estimate of 1886-87) are 20,68; 22,87; 21,91; 21,43; 23,92 and 22,85. Most of this money was devoted to the improvement of Communications.

212. With regard to original works, we observe that, during the last six years, there has been an expenditure of 51 lakhs on buildings, but only of 30 on Communications. We are given to understand that the Province is extremely well supplied with roads, on the whole, though it is necessary to construct new feeders to the Southern Mahratta Railway; but that the public buildings in the Mofussil are in a state of disrepair and require a large expenditure for their restoration and reconstruction. If this is the case, we seem to be forced to the conclusion that of the 51 lakhs expended during the last six years on buildings, a large portion must have been laid out on the construction of expensive buildings at the chief centres of administration, while the important but less obvious wants of the outlying parts of the Province have been to some extent neglected.

213. With regard to the Provincial projects for original works in the future, we have received a complete list of all the works now in progress which will not be completed by the end of the year, and of those for which sanction has been given and which are only waiting for financial provision. The former may be classified as follows :—

	R
Civil Buildings	9,02,940
Communications	10,57,528
Miscellaneous Public Improvements	1,69,174
TOTAL	21,29,642

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Public Works.

214. The urgent works in the Province, which will not be commenced during the current year, may be thus classified:—

						R
<i>Civil Buildings—</i>						
Administration,	46	works	.	.	.	10,61,707
Law and Justice,	22	do.	.	.	.	3,90,411
Jails,	2	do.	.	.	.	8,53,605
Police,	2	do.	.	.	.	17,50,000
Educational,	4	do.	.	.	.	11,88,407
Medical,	9	do.	.	.	.	11,65,464
Miscellaneous,	1	work	.	.	.	6,844
Minor works	.	.	.	.	.	5,00,000
TOTAL CIVIL BUILDINGS						69,16,438
<i>Communications—</i>						
Roads,	20	works	.	.	.	12,13,776
Bridges,	17	do.	.	.	.	13,51,686
Minor works	.	.	.	.	.	1,00,000
TOTAL COMMUNICATIONS						26,65,462
<i>Miscellaneous Public Improvements—</i>						
Major works	.	.	.	.	.	31,607
Minor works	.	.	.	.	.	50,000
TOTAL MISCELLANEOUS PUBLIC IMPROVEMENTS						81,607
Storage works for water-power industries under terms of a contract						7,00,000
GRAND TOTAL						1,03,63,507

215. Although many of these works may doubtless be very desirable if money is available, there are apparently works in the lists, that should not be contemplated, until such time as the finances are in an exceptionally flourishing condition. The following works appear to be of this nature:—

	R
1. Police Commissioner's Office, Police Lines and Office, Bombay	13,00,000
2. Rebuilding Elphinstone College	10,00,000
3. New European Hospital	10,00,000
4. Alteration of District Jail at Ahmedabad	1,00,000
5. Additions and alterations to the Collector's Kacheri at Dhárwár	80,000
6. Quarters for resident students at Elphinstone College, Bombay	1,70,640
7. Improvement to accommodation for lunatics throughout the Presidency	1,00,000

216. The first work in this list may be justified by good reasons, but the estimates indicate an outlay which goes far beyond the provision necessary for the concentration of the Police. The second work seems unnecessary, if the sixth is executed, and even the latter can be indefinitely postponed without injury to Education. It also appears probable that careful examination of the merits of each case will allow of many of the minor civil buildings entered in the list of urgent works being postponed.

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Public Works.

217. A large portion of the contemplated outlay on Communications is doubtless very desirable, as these works must prove of great importance in opening up the country, but it appears clear that a considerable number of works must be postponed in view of the present financial position. Moreover, so far as we can gather, the Bombay Presidency is at present considerably in advance of most, if not all, the other Provinces in India in the matter of Communications; and the extension of roads should be a charge on Local rather than on Provincial funds.

218. In the list of urgent works is the following item :—

“Storage works for water-power industries under terms of a contract, Rs7,00,000.”

This item is peculiar. A company has been formed for the utilisation of the water-power at the Falls of Gokak on the Ghatprabha river in the Belgaum Collectorate; and Government, besides granting them a lease of the land required for their mill buildings, has agreed to supply them with the water required to develop the power on payment of a fixed rate per cubic foot per second. The natural supply in the river runs short in the hot weather, and to enable Government to fulfil its engagements storage water is needed. The storage project will supply the Gokak canal as well as the mills. It is difficult to understand how the Government of Bombay can have pledged itself to supply water, which is not available; but as this case is now before the Government of India, it does not appear necessary that we should go into its merits. It is clear, however, that, with many urgent demands for the construction of important Communications, it is not desirable, during the present financial pressure, to undertake a work, which involves so large an outlay, if it can be avoided.

219. The ratio borne by the cost of the establishments (8,50) to the total figure (27 lakhs) at which we place the public works grant is nearly 32 per cent. This is unduly high, and we think it ought to be diminished; but we are informed by the Chief Engineer that he does not consider the Province overmanned, and that no reduction in the present sanctioned strength of the establishments is possible. It appears inevitable that the existing scale of grants for Provincial Public Works must be reduced, but the whole question of the Public Works establishments has been separately (a) reported on.

220. We are unanimous in considering that the outlay on Public Works urgently needed for the development of the country and the satisfactory conduct of the administration should only be curtailed in view of extreme financial pressure.

221. The local members of the Committee deprecate the allotment for outlay on Public Works being placed so low as to check the expenditure on Communications, which is of a nature to indirectly augment Imperial resources to a considerable extent. Looking to the general character of the estimates framed by the Committee in regard to revenue and expenditure under the new Contract, they anticipate that the Province will be left with a small, or possibly with no, margin for farther development of important Public Works. We all agree that if financial necessities admit of an ampler grant of funds to the Province, they can be well and usefully expended on the construction of feeder roads for the

(a) *Vide* Volume II, Chapter XI, Section B.

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Contributions to Local. Adjustments.

Southern Mahratta Railway. But these are works in which the Local Boards are fully as much interested as the Provincial Government, and we think that a considerable degree of assistance ought to be afforded by them, and that the whole cost ought not to be thrown on the Provincial revenues.

222. It has been said above that the obligatory expenditure on Public Works is about 22 lakhs; and the amount which can be added for original works depends more on the financial possibilities of the time than on the abstract merits of the case. After carefully considering the circumstances of the Bombay Presidency, as compared with other Provinces, and bearing in mind the present necessity of general economy in outlay affecting the Imperial finances, the permanent members of the Committee do not consider that in preparing the new Contract a larger annual grant for outlay on Provincial Public Works than 27 lakhs can be allowed,—that is, they would revert to the scale of expenditure in force before the existing Contract placed a large surplus at the disposal of the Local Government. This amount, together with the surplus Provincial balances, which will probably be available at the close of this year, *i.e.*, 12,00 (*vide* paragraph 3), will allow of an annual average outlay on Provincial Public Works during the new Contract of about 29½ lakhs. This will provide a sum of 7½ lakhs for original works, which is nearly the same amount as that which the Province devoted to this object in 1881-82. Should the Provincial revenues improve, a larger sum will become available in ordinary course.

CONTRIBUTIONS TO LOCAL.

Existing obligations of Government.

223. The existing obligations of Government in this respect may be stated as follows:—

Grant in lieu of one-anna cess on Abkari revenue	. . .	1,55
Grants-in-aid for Primary Schools	. . .	2,17
Grants to certain Local Fund Dispensaries	. . .	18
For certain schools 8, "Anachatra" 2	. . .	10
		<hr/>
	TOTAL	4,00

To this a further amount of 1,02 has now to be added, representing the addition on account of surplus of cattle-pound receipts under the arrangement mentioned in paragraph 106. But, on the other hand, Local Funds owe to Provincial a reimbursement of 17 on account of establishments transferred to Provincial in 1885-86 and charged under "Administration." The net estimate for Contributions is therefore 4,85.

224. The Budget of 1886-87 proposes a considerable enhancement of the grants-in-aid for primary schools, which, for the reasons stated in paragraph 118, we do not see our way to admitting.

Proposed additional grants primary schools objected to.

ADJUSTMENTS.

225. We append to this chapter two statements, A and B, which show the total and the Provincial share of all Provincial and divided heads according to the Budget of 1886-87; the total estimates of revenue and expenditure now adopted under the same heads; and the Provincial share of each, both according to the system now in force, and also under the system prescribed for the future Contract in the Government of India letter No. 2187, dated 26th July 1886, Department of Finance and Commerce.

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Conclusion.

226. We have presumed that the new Contract will annul all adjustments made since 1882 in the current Contract on account of modifications in the distribution of revenue and expenditure. They amount to 1,81, and are shown in statement A only to facilitate comparison between the results of the existing and of the proposed Contracts.

227. The inter-provincial adjustments, amounting to 33 and also shown in statement A, necessarily drop out of account. They will come in in the estimates of each year, as compensations for differences from our estimates. For example, if Bombay pays the leave allowance of a Bengal officer, it will recoup the amount by inter-provincial adjustment; but as we have not included any such payments in our estimates, we have not to show separately the corresponding compensating adjustments.

CONCLUSION.

228. Columns 3 of statements A and B show that the estimated Provincial revenue of 1886-87 was 3,89,33; the estimated Provincial expenditure 3,98,35. That is to say, the Provincial Budget exhibited a deficit of 9,02, which was provided for by a reduction of the Provincial balance by the same amount. (The amount in the original stands at 29,02 by reason of the addition of the special contribution of twenty lakhs made by Provincial to Imperial in the current year.)

229. Columns 4 and 5 of statements A and B show our calculations of the probable future revenue and expenditure, as under:—

	Total.	Provincial share as at present.
Revenue	6,29,80	3,92,60
Expenditure	3,95,73	3,65,54
Surplus	<u>2,34,07</u>	<u>27,06</u>

230. There is thus a Provincial surplus of 27,06 which may be resumed by the Imperial Government.

231. The last columns of the two statements exhibit the Provincial revenue and expenditure calculated on the system which has been prescribed for the future Contract, as under:—

Revenue	2,73,98
Expenditure	3,65,97

The deficit of 91,89, which will thus exist, will have to be met by a contribution of that amount from Imperial to Provincial, to be adjusted, either through the Land Revenue head or in some other way. On whatever basis the revenue and expenditure are divided under the new Contract, the result will be the same, *viz.*, that as compared with the present Contract there will be a benefit to Imperial of 27,06, if the finances of the Provincial Government are left in an initial state of equilibrium, as it is intended they should be.

232. The Honourable Mr. Ranadé and our local colleague Mr. Lee-Warner have recorded separate Notes expressing a certain degree of dissent from some of our proposals. These Notes are reprinted as Appendices B and C to this chapter.

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A.—STATEMENT OF REVENUE.

	BUDGET ESTIMATE OF 1886-87.		ESTIMATES NOW ADOPTED.		
	Total.	Provincial share.	Total.	Provincial share as at present.	Provincial share as proposed.
1	2	3	4	5	6
Civil Heads.					
Land Revenue (Alienated)	73,27	73,27	73,27	73,27	73,27
(Remainder)	3,28,01	1,96,22	3,28,00	1,96,21	(a) 82,00
Salt (Miscellaneous)	37	37	37	37	37
Stamps	45,50	22,75	44,80	22,40	33,69
Excise	85,58	42,79	90,05	45,03	22,51
Provincial Rates	55	55	55	55	55
Customs (Miscellaneous)	45	45	45	45	45
Assessed Taxes	34,25	0,30	27,25	0,30	13,03
Forests	28,62	14,31	31,00	15,50	15,50
Registration	3,93	1,97	3,93	1,97	1,97
TOTAL REVENUE HEADS	0,00,53	3,58,98	5,90,67	3,62,05	2,43,85
Interest (Provincial)	57	57	57	57	57
Law and Justice, Courts	2,85	2,85	2,85	2,85	2,85
" Jails	2,30	2,30	2,35	2,35	2,35
Police	7,93	7,93	8,26	8,26	8,26
Marine	54	54	50	50	50
Education	2,65	2,65	3,00	3,00	3,00
Medical	75	75	75	75	75
Scientific and Minor Departments	21	21	21	21	21
TOTAL CIVIL DEPARTMENTS	17,23	17,23	17,92	17,92	17,92
Superannuations (Provincial)	1,60	1,60	1,60	1,60	1,60
Stationery (Provincial)	60	60	41	41	41
Miscellaneous (Provincial)	62	62	62	62	62
TOTAL MISCELLANEOUS	2,82	2,82	2,66	2,66	2,66
Post Office	2	2	2	2	2
Telegraph	4	4	4	4	4
Total Civil Heads	6,21,21	3,79,66	2,20,88	3,83,26	2,65,06
Public Works.					
Irrigation—Minor Works	1,30	...	1,39	...	1,39
Civil Works	7,53	7,53	7,53	7,53	7,53
Total Public Works	8,83	7,53	8,92	7,53	8,92
TOTAL REVENUES	6,30,04	3,87,19	6,29,80	3,90,79	2,73,98
Adjustments—					
Transfers on account of various reclassifi- cations . . . . .	...	1,81	...	1,81	..
Inter-provincial adjustments . . . . .	...	33	...	...	...
TOTAL RESOURCES	6,30,04	3,89,33	6,29,80	3,92,60	2,73,98

(a) The Government of India letter No. 2187, dated July 26th, 1886, proposes the assignment of a fixed sum plus a quarter of the increase. We adopt in this statement the somewhat more convenient, but equivalent, course of assigning one-quarter of the whole plus a fixed sum.

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B.—STATEMENT OF EXPENDITURE.

	BUDGET ESTIMATE OF 1886-87.		ESTIMATES NOW ADOPTED.		
	Total.	Provincial share.	Total.	Provincial share as at present.	Provincial share as proposed.
1	2	3	4	5	6
Civil Heads.					
Refunds, Land Revenue	2,10	1,40	1,52	91	38
„ Divided Heads	3,12	1,56	2,82	1,41	1,10
„ Provincial Rates	10	10	...	...	...
Assignments	74,03	74,03	74,00	74,00	71,00
Land Revenue—					
Survey and Settlement	8,90	8,90	8,80	8,80	8,80
Collectors and Establishments	30,07	30,07	29,53	29,53	29,53
Allowances to Village Officers	27,42	27,12	27,42	27,42	27,42
Salt (Provincial Establishment)	9,86	9,86	9,12	9,12	...
Stamps	1,94	97	1,90	95	1,42
Excise	2,58	1,29	2,58	1,29	65
Provincial Rates	55	55	55	55	55
Customs	4,95	4,95	4,80	4,80	...
Assessed Taxes	84	10	45	10	23
Forests	18,52	9,26	18,50	9,25	9,25
Registration	2,93	1,47	2,40	1,20	1,20
TOTAL REVENUE HEADS	1,87,91	1,71,93	1,84,39	1,69,33	1,54,53
General Administration (Provincial)	12,58	12,58	12,33	12,33	12,33
Law and Justice, Courts	45,36	45,36	44,79	44,79	44,79
„ „ Jails	6,51	6,54	6,13	6,13	6,13
Police	52,28	52,28	50,22	50,22	50,22
Marine	70	70	23	23	23
Education	16,57	16,57	13,90	13,90	13,90
Medical	13,53	13,53	12,70	12,70	12,70
Political (Rents and Rates)	2	2	2	2	2
Scientific and Minor Departments (Provincial).	2,45	2,45	2,29	2,29	2,29
TOTAL CIVIL DEPARTMENTS	1,50,03	1,50,03	1,42,61	1,42,61	1,42,61
Superannuations (Provincial)	12,95	12,95	12,95	12,95	12,95
Stationery (except purchases for Central Store).	6,12	6,12	5,81	5,84	5,84
Miscellaneous (Provincial)	2,59	2,59	1,82	1,82	1,82
TOTAL MISCELLANEOUS	21,66	21,66	20,61	20,61	20,61
Post Office	1,07	1,07	1,07	1,07	1,07
Telegraph	7	7	7	7	7
Total Civil Heads	3,60,74	3,44,76	3,48,75	3,33,69	3,18,89
Public Works.					
Miscellaneous Railway Expenditure	36	36	...	...	...
Irrigation—Minor Works	15,86	...	15,13	...	15,13
Civil Works—					
Original Works	21,21	24,21	5,00	5,00	5,00
Repairs	13,50	13,50	12,50	12,50	12,50
Establishment	8,00	8,00	8,50	8,50	8,50
Civil Officers	97	97	1,00	1,00	1,00
Other Charges	31	31			
TOTAL CIVIL WORKS	46,99	46,99	27,00	27,00	27,00
Total Public Works	63,21	47,35	42,13	27,00	42,13
Total Civil Heads and Public Works	4,23,95	3,92,11	3,90,88	3,60,69	3,61,02
Contribution to Local (Net)	6,24	6,24	4,85	4,85	4,85
GRAND TOTAL EXPENDITURE	4,30,19	3,98,35	3,95,73	3,65,54	3,65,87



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APPENDIX A.

SURVEY AND SETTLEMENT EXPENDITURE, BOMBAY.

The Civil Estimates show for Bombay—

	1884-85.	1885-86, Revised.	1886-87, Budget.
	₹	₹	₹
Revenue Surveys	6,72,140	6,86,000	6,90,000
Land Settlement	2,42,110	2,31,000	2,00,000
One of the sub-heads under the latter being Talukdāri Settlement	3,384	3,600	3,600

2. We asked the Government of Bombay for an estimate of the cost to be incurred in this department during the next five years, and in their reply (No. 58 P., dated 30th August 1886) we were informed—

- (1) That the cost of the department in Bombay Proper was estimated to be ₹28,81,900 (which would give an average of ₹5,76,000 per annum).
- (2) That for the Sind Settlement, the cost had for five years past been on the average ₹2,28,980; that the strength of the department having been reduced, the expenditure during the next five years would be less.
- (3) That the ₹3,600 “represented the Government contribution on account of the salary, allowances, and establishment of the Talukdāri Settlement Officer.” “The rest of the charges,” the Government letter went on to say, “are borne by the estates under his charge.”

3. Mr. Stewart, the Survey and Settlement Commissioner for Bombay Proper, whom we examined at Poona, explained to us that the whole cost of his department at sanctioned scale was ₹7,04,000, but that he did not work up to the sanction. According to a written answer which he put in and explained, “the average cost of all operations for the next five years would be 6½ lakhs per annum.”

4. The Bombay Government had promised us further information about the Sind settlement; but meantime, upon the evidence before us, we took the total amount to be provided at ₹8,80,000 (against the Budget Estimate for ₹8,90,000), understanding that we included in this the ₹6,50,000 required for Bombay Proper and about ₹2,30,000 which seemed to be the cost of the Sind settlement (represented apparently by the second head in the Civil Estimates) and of the Talukdāri Officer.

5. On September 23rd, the Government of Bombay sent their promised reply relating to the Sind settlement, that is, they sent on to us a letter of the Superintendent, stating that the annual cost was to be ₹1,78,115 only. We immediately replied (September 29th), pointing out the discrepancy between this figure and the information previously given us and set forth in the Civil Estimates.

6. The Bombay Government on October 6th replied—

- (1) That the ₹2,00,000 charged for land settlement in the Budget of 1886-87 was thus made up—

	₹
Sind Settlement	1,78,606
Alienation Department, Poona	9,576
British Girasias Agent	4,055
City Survey, Ahmedabad	4,004
Talukdāri Settlement	3,600
	<u>1,99,841</u>

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Appendix A.—Survey and Settlement Expenditure, Bombay.

- (2) That the Government estimated the cost of the Bombay (Proper) department, not at Rs. 5,76,000 (as originally stated), or at 6½ lakhs (as we were informed at Poona), but at Rs. 6,82,400 for the first two years; and Rs. 6,52,400 for the last three.
- (3) That boundary-mark expenditure was outside these figures; it was first of all charged to 'Advances'; and when the Survey Department made up its accounts, so much was charged to Government and so much recovered from the landholders. They could not estimate how much would be credited to Advances and charged to Government during the next five years, but proposed that the amount should be given from time to time, over and above the Contract allotment mentioned under (1) and (2).

7. To take up these statements in order—First, as regards No. (1):—We have already allowed for the whole amount, but as the information now given is new to us, we have further to enquire—

- (a) What are the details of the expenditure of the Alienation Department, Poona? Are we correct in understanding that it is engaged in compilations from the ancient records of the Native Government? How long is the work expected to last?
- (b) What is the nature of the work of the British Girasias Agent? What are the details of the cost of his salary, establishment, &c., and is any part of it recovered or recoverable from Native States?
- (c) The city survey, Ahmedabad, has now been going on for very many years; how long is the expenditure likely to last? What work still remains to be done? And what do the Municipality pay towards it?
- (d) As regards the Talukdári Settlement Officer, we thought our information was complete, but the Bombay Government have just informed us that they require another sum of Rs. 2,400 to provide for his establishment. As this is inconsistent with the information they formerly gave, and with the provision in the Estimates, we would wish them again to examine the facts.

8. As regards No. (2), the Bombay Government wrote us, on October 13th, saying that they find still another charge that has been omitted from the figures they gave us, namely, the Photo-zineographic Department costing Rs. 48,776, and that they wish this to be added to the Estimates. As this charge is now mentioned for the first time, we have not had the opportunity of examining it on the spot, and we have to enquire for some details—

- (e) The department has a Superintendent on Rs. 900, a Head Photographer on Rs. 300, a Head Printer on Rs. 150, and establishments costing Rs. 1,482 a month. We should like details of establishment and an explanation of the necessity of so highly-paid a Superintendent.
- (f) What are the stores from England, costing over Rs. 10,000 a year.
- (g) What is the outturn of work? How many maps are completed annually? How many copies are struck off of each? And are there any, and what, receipts?

9. As regards No. (3),—the boundary-mark expenditure,—we made some enquiries in our first questions. The replies given by the Government in the letter first quoted were, that of the amount outstanding on 31st March 1886, Rs. 2,84,141, "it is impossible to say how much is recoverable and how much will

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Appendix A.—Survey and Settlement Expenditure, Bombay.

be ultimately debitable to Government.” R2,09,565 of bills had been sent in to the Collectors in the past three years, for part debit to Government and part recovery from occupants, but “it is impossible to say what portion has been recovered from occupants up to date.” And, again, in their letter of October 6th, “it is impossible to state how much of these advances is likely to be adjusted and classed under Land Settlement Charges during the next five years.”

10. The Government of India are not likely, without much more reason than is as yet shown, to accept the proposal to exempt from the Provincial Contract, and to keep as Imperial charges, an expenditure which is practically only one head of the contingent expenditure of a Provincial department, and which has hitherto been Provincial; and we must proceed to estimate, on the best information procurable, the probable amount of these boundary-mark charges in the future; that is, we must take the past averages, unless special reasons render them inapplicable.

11. But it is obviously necessary for us to remit the whole matter to Bombay for further enquiry and explanation. The Bombay Government must be able to give us the total charges under Land Settlement and Survey, for the past five years, under the heads corresponding with their present demands, namely,—

	R
<i>Survey Department, Bombay Proper—</i>	
Commissioner and Parties	6,52,400
Photo-zineographic Department	48,776
<i>Settlement Department, Sind—</i>	
Superintendent and Parties	1,78,606
Boundary-marks	Not stated.
Alienation Department	9,576
British Girasias Agent	4,055
City Survey, Ahmedabad	4,004
Talukdári Settlement	6,000
TOTAL	9,03,417

(This total would be increased still further if the estimate for boundary-marks were included, and it must be further remembered that the Bombay Government, for reasons not fully explained, claim R30,000 more for the first two years.)

12. Now we know that the total expenditure under all these heads has been—

	R
Accounts, 1882-83	8,90,290
„ 1883-84	9,51,037
„ 1884-85	9,14,250
Revised Estimate, 1885-86	9,17,000
Budget „ 1886-87	8,90,000

and we are informed that the charges are diminishing. It is obvious, therefore, that we cannot, on the information before us, admit the demand of Bombay, or go beyond the amount we have allowed in our former Noto(a), viz., R8,80,000.

CALCUTTA;

The 1st November, 1886.

(a) Para. 25 of this Chapter (p. 121).

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APPENDIX B.

DISSENT BY THE HON'BLE RAO BAHADUR M. G.
RANADÉ, M.A., LL.B.*Remarks on the Education portion of the Note on the future Provincial Contract with Bombay.*

As I happen to differ from the other members of the Committee in regard to some of the recommendations made by them, I deem it necessary to state briefly the grounds of this difference. I shall do this as far as possible, not in my own words, but in the words of the Education Commission which specially inquired into this subject four years ago.

1. The first recommendation suggests an enhancement of fees in Secondary schools and Arts colleges. As regards High schools, the Education Commission in their report observed "that the fees charged are fully as high as the people are able to pay. They have also been raised relatively to the cost of the schools." "The Government expenditure on these schools is 42 per cent. of the cost; while the cost to Government per scholar is decreasing, the cost to Government of aided institutions is steadily increasing, so that in many instances the State is paying more for the same results in aided schools than in its own institutions."

As regards the Arts colleges, they observe that "we have no evidence to justify us in recommending any increase in the rates of fees, which have been considerably raised in the last few years."

I do not for my own part object to a tentative and gradual enhancement of fees, but I do not think we can safely count upon increased attendance along with an increase in fees, or that it is reasonable to raise the Budget Estimate under this head from Rs2,65,000 to three lakhs.

2. The second point relates to the suggestion that it will not be necessary to raise the salary of the new Sind Inspector from Rs250 to Rs500, if a Native officer were appointed to the post. In Sind, the Inspector's work has hitherto been discharged by a half-time officer, who draws on this account Rs250 a month. The Education Commission recommended the appointment of a full-time officer, and as the highest Native Deputy Inspector in the Province now gets Rs250 or Rs300, it appears obvious that the Inspector, even though a Native, can hardly be expected to be properly remunerated on less than Rs500. The half-time man may be relieved of his duty by this arrangement, and the proposal therefore does not involve any increase, but only a transfer of charges.

3. The third recommendation relates to the increased allotments for the Sind and Ahmedabad Colleges. As regards the Sind College, the Education Commission laid down that "Government should not incur unlimited responsibilities in founding a college which may be a failure. When an adequate foundation is supplied by local resources, Government may then be expected to assist with a grant-in-aid." The Sind people have since the date of this report made considerable efforts to raise funds, and under these circumstances they are entitled to a liberal grant-in-aid, equal to their own annual independent resources.

As regards the Ahmedabad College, the Education Commission recommended that "the interest of the Endowment Fund" (about Rs1,50,000), "together with the Municipal grant" (Rs3,000), "should be supplemented by an equal contribution from Government for a fixed period of six years."

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Appendix B.—Dissent by the Hon'ble Rao Bahadur M. G. Ranadé.

The interest and grant come up to ₹8,000, and Government is bound by its previous pledges to contribute that amount which falls short of the proposed grant by ₹2,000. Allowing the same grant for the Sind College, the Budget figures may be reduced by ₹4,000. Further economy does not appear to me to be possible in view of previous undertakings.

4. The Note further suggests that provision should be made for these new charges by corresponding reductions elsewhere, and later on it is proposed that Government should either withdraw altogether from the charge of the High schools and Arts colleges in Bombay and Poona, or as an alternative should allow them to be converted into aided institutions. I think the members of the Committee have not sufficient materials before them to enable them to enter into such details with advantage, and that under any circumstances they should not commit themselves to the policy of advising Government to start new institutions to the prejudice of firmly established and successful old schools and colleges. As regards the two High schools, they are actually in a condition to pay nearly 60 per cent. of their expenses. As aided schools they would cost Government more than they do now.

As regards the Bombay and Deccan Colleges, the Education Commission observed "that the Deccan College was founded by Mr. Mountstuart Elphinstone as the most suitable object on which the British Government could spend a portion of the Dakshina Fund employed by the Peshwas for the encouragement of ancient learning." The Elphinstone College is already in a condition to pay nearly half its expenses from fees and endowments. As regards the policy of complete withdrawal, or the alternative of converting these colleges into aided institutions, the Education Commission observed: "In Bombay and Poona there are institutions which grew out of endowments or of attachment of funds, and to the maintenance of which the public faith is more or less pledged." "Until private enterprise has extended so widely as to create a competition between similar schools under different management, we should not be prepared to run the risk of surrendering a college or High school to probable decay." I trust these extracts will suffice to show that there is nothing unreasonable in my proposal to drop this last paragraph in the Note as needlessly committing the members to a position directly opposed to the deliberate recommendations of the Education Commission.

5. If it be desirable to effect reduction of expenditure elsewhere, there are possible openings for economy in a reduction of the amount of purely Government scholarships, which have for the most part lost their value in these days, and this saving would go a great way to make up the ₹10,000 a year required to supplement the resources of the Sind and Ahmedabad Colleges without destroying the efficiency of old and historical institutions.

6. As regards the recommendation not to allow more than ₹1,500 out of a Budget allotment of ₹50,000 for fostering technical instruction, I think that the action taken by the Local Government has been to a large extent inspired by the declared anxiety of the Government of India on this subject. The amount should therefore be raised at least to ₹11,500, which sum appears to have been already allotted to this head. Otherwise the Bombay Government, which has already issued its Resolution, will be placed in a very awkward predicament.

The 6th October 1886.

M. G. RANADÉ.

N. B.—It should be explained that the quotations made by Mr. Ranadé in this dissent are not from the Report of the Education Commission, but from that of the Bombay Provincial Committee, published as an appendix to the Report of the Education Commission (pp. 133, 142, 148, 150, 151, and 201).

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APPENDIX C.

DISSENT BY MR. W. LEE-WARNER, BOMBAY CIVIL SERVICE,
LOCAL MEMBER OF THE FINANCE COMMITTEE.
Memorandum on the Finance Committee's proposals.

I recognise the spirit of compromise shown in this Note, as I also recognised the courteous and reasonable attitude of the Finance Committee in our discussions at Poona. I also feel that Imperial necessity demands a large sacrifice from Provincial finance. But an economy, which drives the Bombay Presidency into insolvency or into the carelessness which precedes insolvency, will be too dearly purchased by the gain of four or five lakhs which, in my opinion, the Finance Committee have taken beyond the furthest necessities of the occasion.

2. *Land Revenue receipts* are based on the realisable demand of 1886-87, a year lifted on the crest of a wave, which gathers up the uninterrupted prosperity of four years, and on a high level of revenue administration. By fixing this figure for the whole Contract, the Committee discount an improvement in these factors, as a set-off against a season of drought which must be shortly expected. Yet, on the other hand, the Public Works expenditure, which so largely eases temporary agrarian distress, is cut down from an average of 40 lakhs for the last four years to 27 lakhs. An alteration in the tour system, which is the secret of controlling remissions and of adding to the Land Revenue, is threatened; and as relief is given to the congestion of the Civil Service in the grade of senior supernumerary Collectors, some loss of experience in the revenue agency must be expected. While, then, I do not complain of the Land Revenue demand being taken at 330 lakhs, I consider that the estimate precludes expectation of profit, and I would add that the Government of India must be prepared to reconsider the whole question of famine liability in the face of the inability of the Local Government to bear any strain with its diminished resources.

3. *Stamp receipts* are sensitive to agrarian distress and its consequent decline in trade. The estimate of 44,80 seems to me too high by 30 at least, representing $1\frac{1}{2}$ lakhs in the term of the Contract. The *Jail expenditure* should be taken at 6,50, and I doubt if that will suffice. This will add 37 to the figure taken. The elimination of grants promised amounting to a practical reduction in *Education expenditure* means a fatal, and ultimately expensive, discouragement of private enterprise. 25 must be restored to grants by results, even if the reduction in building grants is upheld. I would restore the latter to at least 55 instead of 30 proposed, but I will not press this in view of other suggestions which I regard as more important. The College grants of 14 are pledges, to the withdrawal of which I cannot consistently agree. The recommendation of the Finance Committee to withdraw from the Deccan College, although it has much to recommend it, cannot be carried out in a moment, and does not justify a breach of faith with the people of Gujarat and Sind. I understood that the Committee accepted my arguments in favour of the drawing provision of 10, representing a further pledge of the most public character, but I am evidently mistaken. This item, however, and the Workshop grant of 4 complete the addition of 50 to the expenditure, which I regard as justified by the present conditions of finance. I regret the blow struck at technical education, but if only half-a-lakh can be given, I would assign it to the objects men-

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Appendix C.—Dissent by Mr. W. Lee-Warner.

tioned. In regard to *Police*, I note that 50,22 is a provisional estimate of expenditure, that the Committee are uncertain on various points, and rely more than once on "probability." I submit that facts point to the conclusions that the Police are undermanned and underpaid, especially in Bombay City. The proposal to raise the clothing recoveries, although a minor matter, seems to me only equitable with the proviso that the recoveries in no district shall exceed the cost to the men of that district. If clothing costs less in Satára than in Ahmedabad, I see no reason for taxing the Satára men to pay the cost of clothing the Ahmedabad sepoy. My contention in regard to the Police is, that no reduction is possible, and the actual expenditure of 1886-87 must not only be taken as the basis, but even an excess over these actuals must be allowed, where extra Police have been engaged in 1886-87, but not charged for the whole year. The Police Commissioner of Bombay showed us that his force was already too small; that some men had been lately engaged, whose cost in 1886-87 will not represent their cost in future; and that others could not be engaged because the wage was too low. Full allowance must be made in the Contract for the full future charges of these sanctioned, even if not yet appropriated, increases. I am unable to estimate the additional provision required, but I should say that $\frac{3}{4}$ to 1 lakh was necessary. In connection with this, I would remark that I quite agree with the Committee that the Bombay Municipality should contribute more liberally, but the intervention of the Government of India prevented Sir Philip Wodehouse from carrying out this policy, and, if it is to be reverted to, the assistance of the Supreme Government must be given. I consider also that an officer of the standing of a First Assistant Collector—and not of a Second Assistant Collector—is essentially required in Bombay to aid the Collector of Bombay, who will be Collector of Customs, Collector of Income Tax, and a Registrar. I do not agree with the Committee that the number of supernumerary Assistant Collectors can afford reduction. What is wanted is a reduction in the number of them in certain years. A better distribution of the service, and not any reduction, is required.

4. The Committee recommend that the Bombay Government should be liable for *Superannuations* to secure local control. But the present proposals go far to weaken control by destroying local interest in the creation and subsequent appropriation of savings. The addition of another spending department with an inadequate provision of means is a burden which, in my opinion, the Local Government cannot undertake, and I think that the Government of India should adhere to their proposal for relieving the Local Government of superannuation charges. I regret that I must also dissent from the proposed reductions under *Contributions to Local*. These Contributions represent a double pledge—an educational pledge based on the Government of India Resolution No. 63, dated 11th February 1871, discussed in section 215 of the Education Commission's Report; and an administrative pledge repeated in the Resolutions on self-government. I can only submit a respectful protest against any departure from the long postponed recognition of these pledges embodied in the increase of contributions from 4,63 in 1884-85 to the corresponding figures of the current year. If it be alleged that these pledges were made by the Local Government, I would add that they were made with full publicity and to the knowledge of the Government of India, and it is unsafe for the British Government to repudiate the assurance of one of its members to the general public, when that assurance was given with the consent and approbation of the Government of India.

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5. There remains the Public Works grant reduced to 27 lakhs. I was under the mistaken impression that another half-lakh had been conceded. I pressed for 29,40, the figure for Civil Works in the current Contract. Our obligations for maintenance charges have increased since 1882, the long system of railways in the Deccan demands all the help in feeders that we can give it, and, above all, the power of tiding over threatened distress by affording timely labour to the ryots is an essential condition of our capacity to realise the large contribution which the Government of India expect in Land Revenue and Excise.

6. I have avoided all reference to the administrative aspect of the Committee's proposals, and at their wish have omitted my objections to any tampering with the tour system of Revenue officers. All power for good rests on the power of the purse, and the money spent by a Local Government is money spent by the most qualified agency for the empire at large. Reduced means are equivalent to a reduced power for good, and if this reduction is a necessary evil, I can only hope that it will be but a temporary necessity.

KOLHAPUR,
The 9th October 1886.

W. LEE-WARNER.

The Future Provincial Contract with Madras.

Preliminary.

CHAPTER VII.

THE FUTURE PROVINCIAL CONTRACT WITH MADRAS.

[Figures entered thus,—2,08—without designation, mean thousands of Rupees.]

PRELIMINARY.

In Appendix No. V to this Volume will be found a full account of the history of the working of the Madras Contract during the last five years, taking the Estimates for 1886-87 as actual figures. The following table presents the same figures in a more condensed form :—

Statement of the Provincial Revenue and Expenditure in Madras from 1882-83 to 1886-87.

	REVENUE.						EXPENDITURE.				
	CIVIL.			PUBLIC WORKS.		TOTAL.	CIVIL.	PUBLIC WORKS.			TOTAL.
	Special Grants.	Principal Revenue Heads.	Other Departments.	Ordinary.	Irrigation Net.			Ordinary.	Interest on Railway Capital.	Capital Expenditure.	
1	2	3	4	5	6	7	8	9	10	11	12
Average Assignment . . .	...	2,00,50	17,50	1,78	—2,13	2,17,74	1,96,57	18,93	...	...	2,15,50
1882-83 . . .	6,50	2,09,35	17,91	79	—2,12	2,32,43	1,98,59	21,36	...	1,08	2,21,03
1883-84 . . .	2,50	2,13,50	15,70	1,47	—2,77	2,30,40	2,04,16	24,93	...	1,59	2,30,68
1884-85 . . .	5,00	2,12,52	15,96	1,09	—3,92	2,30,65	2,09,39	29,72	...	1,24	2,40,35
1885-86 (Revised)	5,00	2,26,55	16,22	1,12	—5,70	2,43,19	2,09,44	24,64	...	1,60	2,35,68
1886-87 (Budget)	5,00	2,25,34	15,93	1,10	—4,12	2,43,25	2,13,60	24,65	50	1,45	2,40,20
Total of the five years . . .	24,00	10,87,26	81,72	5,57	—18,63	11,79,92	10,35,18	1,25,30	50	6,96	11,67,94
Five times average Assignment	...	10,02,50	87,95	8,90	—10,65	10,83,70	9,82,85	94,65	...	...	10,77,50

N. B.—For an explanation of the mode in which the above figures are arrived at, see paragraph 10 of Chapter II, page 14.

2. The revenue of the Province exceeded the assignment by 91 lakhs, or, omitting the 24 lakhs of special grants, by 67 lakhs.

Financial history of the five years. The Revenue-producing heads showed an increase of 85 lakhs; Land Revenue (chiefly the collection of Famine arrears) brought in an increase of eleven lakhs; Exeise of thirty-five; Forests of thirty-one; but there was a decrease in the receipts in other Civil Departments, as well as in the receipts from Public Works and from Irrigation. On the other side the expenditure has been 90 lakhs in excess of the assigned figure: 52 lakhs under Civil Departments (chiefly Forests, Land Revenue, Education, and Medical) and 31 lakhs under Ordinary Public Works; and 7 lakhs have been spent as Capital on the construction of works, chiefly the Madras water-works, the expenditure on which was refunded to Imperial during the term of the Contract, and was shown in the accounts by reduction of the Provincial share of the Land Revenue. The revenue of the current year (excluding the special grants) exceeds that of the first year of the Contract by $12\frac{1}{4}$ lakhs, and the Budget of the year shows a surplus of 3,05(a) over the expenditure of the year.

(a) This differs from the surplus shown in paragraph 312 by 1,32, the amount of the Tanjore survey refund. The Tanjore survey grants and the refunds of them cancel each other for the whole term, and have therefore been neglected in this account.

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3. The total revenue of the five years has been 12 lakhs in excess of the State of the Provincial expenditure, and as the Province at the beginning of the balances. Contract had an opening balance of 17 lakhs, it would have ended the five years with a balance of 29 lakhs but for the contribution of 6 lakhs recently made to the Imperial Treasury. Its actual balance on 1st April 1887 is expected to be 23 lakhs of rupees.

4. We commenced our sittings at Madras on September 22nd and were then joined by our local colleagues, Mr. J. H. Garstin, Enquiries at Madras. C.S.I., and Mr. H. E. Stokes, who assisted at all our enquiries and deliberations. The permanent members of the Committee desire to record their sense of the very great advantage they derived from the assistance given them by the local members, and of the cordiality with which all Heads of the departments and other officers consulted co-operated with them in supplying the information which the Committee required. On October 5th the Committee met the Government of Madras in conference, and discussed with them the heads of the proposed reductions which they had previously submitted. The remarks contained in this Chapter as to the agreement of the Madras Government with certain of these proposals, and as to their objections to others, refer to the opinions communicated to the Committee on that occasion.

5. We proceed to examine the expenditure and estimates in detail. Our Where Budget figures now accepted, figures of Revised Estimates will ultimately be substituted. examination is mainly based on the figures of the Budget of 1886-87, but it will be understood that, where we accept those figures, we do so subject to any modification of them which the Revised Estimates may show to be necessary.

LAND REVENUE.

6. *Revenue.*—The receipts of Land Revenue, reckoned by the financial Receipts irregular. year, have been very irregular. Moreover, they include about fifty lakhs of exceptional arrears, the collection of which is now almost completed. It becomes necessary, therefore, to examine the figures in detail, in order to make an estimate of the probable amount to come in in future.

7. The following statement is an account of the demand and collection of Demand and Collection. Land Revenue for four years :—

Year ending	Gross demand.	Remitted at yearly settlement. See para. 12.	Net demand for realisation.	Collected.	Balance passed to arrear account.
1	2	3	4	5	6
	R	R	R	R	R
30th June 1882 . . .	4,77,53	31,63	4,45,90	3,92,26	53,64
„ 1883 . . .	4,83,41	31,43	4,51,98	4,18,35	33,63
„ 1884 . . .	4,90,59	27,80	4,62,79	4,41,39	21,40
„ 1885 . . .	4,87,04	48,78	4,38,26	4,14,16	24,10

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8. The following shows the arrear account for the same years:—

Arrear account.

Year ending	Arrears brought forward.	Received from demand account.	Other items.	Total amount for realisation.	Collected.	Written off.	Balance.
1	2	3	4	5	6	7	8
	₹	₹	₹	₹	₹	₹	₹
30th June 1882	48,88	55,15	1,45	1,05,48	54,76	10,74	39,98
" 1883	39,98	53,64	26	93,88	52,22	23,46	18,20
" 1884	18,20	33,63	76	52,59	31,86	11,77	8,96
" 1885	8,96	21,40	36	30,72	20,82	5,17	4,73
" 1886	4,73	24,10	...	...	...	...	...

Total realisations of *Fasli* years. 9. These figures give the total realisations at—

Year ending	Current.	Arrear.	Total.
1	2	3	4
	₹	₹	₹
30th June 1882	3,92,26	54,76	4,47,02
" 1883	4,18,35	52,22	4,70,57
" 1884	4,41,39	31,86	4,73,25
" 1885	4,14,16	20,82	4,34,98

Realisations by financial 10. The figures of the finance accounts are as follows:—

—	First three months.	Last nine months.	Total financial year.	Giving the following totals for year ending
1	2	3	4	5
	₹	₹	₹	
1881-82	1,31,22	3,26,30	4,57,52	30th June 1882
1882-83	1,20,78	3,50,39	4,71,17	" 1883
1883-84	1,20,60	3,53,52	4,74,12	" 1884
1884-84	1,20,02	3,17,55	4,37,57	" 1885
1885-86	1,17,99	3,60,64	4,78,63	

11. These last figures exceed by about ₹30,000 a year the figures based upon the revenue accounts, but we may accept the revenue accounts as correct, since they agree pretty closely with the finance accounts, both in their totals and in their variations from year to year.

12. The system, under which the annual effective demand is fixed, is this:—The Revenue Inspectors first send in through the Tahsildars the result of their enquiries into the alleged failures of the crops. The higher District staff are then engaged in making enquiries into all cases where remissions are recommended, and by the end of May of each year they have finished examining the gross demand of the year, which is now a total of 485 to 490 lakhs of rupees, and admitting claims for remission. These remissions amount, excluding years of calamity, to about 30 lakhs, and thus the realisable demand is placed at 455 to 460 lakhs.

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13. The remissions are of three kinds: (1) Beriz deductions, that is, for the most part, alienations, or allowances paid in land, for village service, or in commutation of pagoda allowances; (2) "Fixed," that is, partial remissions made for a time to a holder whose revenue has been enhanced, so as to make the enhancement a gradual one; also, remission on account of irrigation by lift, and other kinds; (3) Seasonal remissions on the ground that no crop has been produced; these are almost entirely confined to wet lands and rarely affect dry crops. The first two classes of remissions vary very little; the last depends upon the nature of the season, and may be very largely increased in a year of calamity.

14. With regard to these "seasonal remissions," we have one suggestion to make. The principle of the present settlement is that the assessment is based on the average prices of twenty years past, with a large deduction from the average in order to meet the case of a failure of the crop. If the assessment were a full one for good years, it would be reasonable to remit it in bad years: but since it is based on an estimate below that of average years, the logical conclusion is that a good year ought to pay for a bad one, and that the ryot ought not to get a remission on account of a failure of his crop. We think the Madras Government might be asked to reconsider the question of the propriety of making these remissions in the districts which have come under settlement.

Demand of past eight years.

15. The actual figures for past years are—

Revenue Year (Fasli).	Gross demand.	Beriz deductions.	Fixed deductions.	Balance of demand.	Seasonal remissions.	Realisable demand.
	₹	₹	₹	₹	₹	₹
1288	4,90,52	13,49	1,05	4,75,98	14,87	4,61,11
1289	4,85,99	16,16	94	4,68,88	14,33	4,54,55
1290	4,80,65	16,36	88	4,63,41	10,60	4,52,81
1291	4,77,53	17,11	2,27	4,58,15	12,25	4,45,90
1292	4,83,41	18,11	2,05	4,63,25	11,27	4,51,98
1293	4,90,59	18,12	2,43	4,70,04	7,25	4,62,79
1294	4,87,04	18,42	2,26	4,66,36	28,10	4,38,26
1295 . . . . .	...	...	...	...	...	4,64,62

16. In the earlier years noted in this statement the "seasonal remissions" included items which, under the more accurate classification afterwards adopted, passed under the other heads.

17. After all remissions, we have, omitting one year of comparative drought, Fasli 1294 or 1884-85, an average realisable demand in ordinary years of 4,56,25.

18. This being taken as the ordinary realisable demand, it appears from the Irrecoverable "writes-off." statistics of past years that it is all collected except about 1,70, which is eventually written off as irrecoverable. The recent "writes-off," as noted in column 7 of the statement in paragraph 8, have been much more heavy, but that arose from writing off the large arrears brought forward from the famine time, that is, they were not remissions of current arrears; and now that the arrear account has been almost wiped out, and collections very well brought up to date, these large figures will certainly cease. The five years before the famine (Faslis 1281 to 1285) showed an average of remissions of this class of ₹1,76,498, and last year, Fasli 1295, similarly shows only ₹1,65,630. So that 1,70 is a fair amount at which to estimate the irrecoverable arrears for the future.

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19. We have therefore the realisable demand at 4,56,25, and the "writes-off" at 1,70. So that, apart from years of calamity, we may expect the accounts to show, taking year with year, a receipt of 4,54,55; and this is the figure we propose to take for the Contract. As above noted, it is apparently safeguarded by miscellaneous receipts of about 30 that come into the accounts outside the Land Revenue proper.

20. About years of calamity we propose the following supplementary condition, which we base on the statement in paragraph 15 above. It is that, so long as the remissions at the yearly settlement do not exceed 40 lakhs, the burden shall fall in the fixed proportions both upon Provincial and upon Imperial, but that if they exceed that amount, the whole additional burden shall fall upon Imperial. As the estimate of these remissions, for the purpose of the Contract, is about 30 lakhs, this means that, under the new system of the division of Land Revenue between Imperial and Provincial, the Provincial Government's share of the loss of Land Revenue arising out of any calamity is limited to $2\frac{1}{2}$ lakhs.

21. In ordinary years no action under this clause would be necessary, but we will suppose, for the sake of showing its working, that the year ending June 1890 is a year of calamity in which the total remissions come up to 48,78, as they did in 1884-85. The scarcity would probably affect the financial accounts of 1889-90, and if the Provincial Government could by November 1890 make an approximate estimate of the amount of remissions, they could get a grant "on account," in time for entry in the accounts of the year affected. In any case, the revenue accounts are completely made up and declared by June 1891, and the transaction could be finally closed in that month by a grant from Imperial to Provincial, which, together with the grant "on account," would make up the total of 8,78 (the excess over forty lakhs), and which would pass into the accounts of 1890-91.

22. Our estimate of the revenue being thus taken on the average of the actuals of eight past years, it follows that our estimate of the Refunds of Land Revenue must, in order to correspond, be made in the same way. The eight years' figures, 1878-79 to 1885-86, are 1,44; 65; 1,37; 2,23; 2,10; 3,28; 1,51; 1,22; and give an average of 1,72.

23. We have to recommend another special arrangement in the Contract with Madras. Included in the "Land Revenue" is an item of "Fisheries" which refers to the proceeds of chank fisheries and of pearl fisheries. The last have been suspended for a long time, but it is intended to resume them. The business is entirely speculative, and it is just possible that now and again there may be very large realisations from them. We think that it would be advisable to make a special provision that, in each year, up to a gross revenue of five lakhs, the net profit upon pearl fishery (as distinguished from chank fishery) should be divided equally between Imperial and Provincial, but that above that amount the division of any receipts (which can only be casual and exceptional) should be considered and settled when the occasion arises.

24. *Expenditure.*—The cost of Collectors and their establishments during the four years of the Contract for which the Accounts are closed, has been 35,03; 35,17; 35,64; and 34,52. The Budget provides 35,12. The increase to the figure 35,64 was due to the provision for the new district of Anantapur and to the appointment of four additional

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Deputy Collectors; the decrease from 35,64 in 1884-85 to 34,52 in 1885-86 is due to the extent of about 77 to very large reductions made in the Revenue Process-serving establishments after the completion of the collection of the heavy arrears brought forward from the famine time; and, as regards the rest, to what may be considered a fluctuation in the charge for salaries. The Budget Estimate would therefore appear a probable one.

25. The expenditure here charged includes about R32,000 on account of subordinate medical officers attached to each Collector, Sub-Collector, Head Assistant, &c. We think this ought to cease in all but very exceptional cases. There is nothing peculiar in the circumstances of these officers in Madras, as compared with other Provinces, which necessitates their being provided, at Government expense, with special medical attendants; and with an average of about fifteen public dispensaries to each district, it can hardly be said that they and their establishments are exposed to any special dangers in being expected to tour without the attendance of a medical officer. The Surgeon-General has informed us that the medical staff, if relieved of these duties, can be employed elsewhere, and we therefore retrench 25 out of the 32 provided on this account.

26. We have not made any allowance, in fixing the Contract figure, for two schemes which involve considerable increase of cost. One of these is a proposal for the creation of three new districts, the other is known as Mr. Garstin's scheme for the improvement of the position of the Subordinate Revenue officials, which has been for some time under discussion, and which will, if it is sanctioned, cost 4½ lakhs.

27. There has been no chank fishery for the past year or two. Before that time the revenue used to be about 30, and the expenditure 10 or 12. The stoppage was meant to be temporary only, and the resumption of operations this year has justified it, in showing considerably increased collections. The Budget Estimate is 15, and may be accepted.

28. Rupees 15,000 is provided in the estimates for the Inam Commission, but the main work is now completed, and the remaining work of record is now in the hands of the Director of Revenue Settlement. Thus the Deputy Collector's allowance of R3,000 has ceased, and the amount provided for travelling allowance also ceases, for the most part, to be necessary. The Madras Government have consented to reduce the estimate from R15,000 to R10,000.

29. *Survey.*—The expenditure of the Revenue Survey Department is as follows:—

	1884-85.	1885-86. (Revised.)	1886-87. (Budget.)
Superintendent, Deputy Superintendent, and Central Office	R 1,29	R 1,27	R 1,25
Survey parties (5)	5,51	5,30	5,60
Boundary pillars	1,52	22	48
Contingencies and miscellaneous	53	46	67
TOTAL	8,85	7,25	8,00

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30. The salary of the Superintendent is $\text{R}1,750$. A Deputy Superintendent on $\text{R}1,160$ is in charge of the Central Office, Madras, the work of which consists mainly of supervising the returns of the work and expenditure of the Survey Parties, as well as the drawing, lithographic and photographic branches, and of keeping the records and stores of the department. The Superintendent's work is that of general supervision, and he has spent 99 days on tour, on an average, during late years. We have made some further remarks regarding this post under Settlement (*vide* paragraph 40). We have some doubts whether the Central Office need be as strong as it is, but we propose to refer the question for technical criticism to the Surveyor-General of India, and we will, if necessary, submit a separate Note (a) on the subject.

31. There are five Survey Parties, whose average cost is said be about $\text{R}1,10,000$ per annum. Their average composition is shown in the margin. They do not differ materially in cost or composition from the ordinary Cadastral Survey Parties of Northern India, and we have no suggestion to make regarding this part of the subject, except that the employment of Natives in positions subordinate to the Deputy Superintendent might be more largely carried out. The Madras Government inform us that they agree in this view, and are prepared to appoint a Native on two-thirds of the ordinary salary, to every alternate vacancy in the Assistant grade.

32. The average area surveyed by each of these five Parties is said to be from 400 to 600 square miles annually,—the smaller area if the country is irrigated, and the larger area if it is dry. This is a lower average than is usually accomplished in Northern India by a Cadastral Party. For instance, we may mention that in the Bundelkhand districts of the North-Western Provinces, where the character of the land may be compared with that of Bellary and Anantapur, the area surveyed yearly was about 800 square miles, and the cost about $\text{R}150$ a mile. In the Kamrup district of Assam again, where the cultivation is almost entirely rice, and the fields surveyed were below an acre apiece, the average area has been about 450 square miles, and the cost of survey and settlement combined about $\text{R}400$ per square mile. In Tanjore, which somewhat corresponds to this, the Survey has abandoned the attempt to measure and plot each field, but clubs them together in blocks which may be as large as four acres. Yet the cost is expected certainly to exceed $\text{R}600$ per square mile, and the area thus surveyed has been up to date only 162 square miles. The department has in the two years, 1884-85 and 1885-86, surveyed cadastrally 3,444 square miles at a cost of $\text{R}14,75,000$, which gives an average of $\text{R}428$ per square mile; but a part of its time has been diverted to topographical work, so that the cost of cadastral work proper has not been really so great as this.

33. The following forecast, which has been given of the work of the Survey Department, shows how greatly it has lingered up to the present time. Take the case of Tanjore, where two Parties are at work and 162 square miles have been done. If the work were carried on as in Northern India, a single Party would finish the three taluks of

Superintendence.
Survey Parties.

1 Deputy Superintendent	. . . 750
1 First Assistant Superintendent	. . . 550
4 Sub-Assistants at	. . . 200
8 Head Surveyors at	. . . 80
41 Deputy do. at	. . . 25
142 Field do. at	. . . 15
1 Head and 34 Computers at	. . . 16
1 Head and 81 Draughtsmen at	. . . 16
Clerks, Accountants, Peons, &c.	

(a) This intontion was not carried out before the dissolution of the Committee.

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Tanjore, Kumbakonam, and Máyavaram in 1887; Nannilam and Negapatam in 1888; and another Party would survey the remaining four taluks in the same two years. Thus, the survey would be finished in 1888, and the settlement, if two Parties were sent in, would assess half the district in 1888 and the other half in 1889.

Forecast of Revenue Survey Operations.

District.	Taluk.	Area in square miles.	Survey.		REMARKS.
			Commencement.	Completion.	
Vizagapatam	Golconda . . .	265	1885	1887	
	Sarvasiddhi . . .	319	1886	1888	
Bellary	Hospet . . .	411	1883	1886	
	Bellary . . .	808	1883	1887	
	Kodligi . . .	723	1884	1888	
	Huvinaladgalli . . .	627	1886	1889	
	Ráyadrug . . .	733	1887	1891	
Anantapur	Harpanahalli . . .	611	1887	1891	
	Anantapur . . .	789	1888	1892	
	Hindupur . . .	481	1889	1892	
	Madakasira . . .	439	1890	1893	
	Dharinavaram . . .	1,226	1890	1895	
South Arcot	Chidambaram . . .	373	1885	1887	
Tanjore	Tanjore { North, Deltaic . . .	225	1882	1887	The work begun in 1882 was not a Cadastral, but an Irrigation survey. There has been some delay and expense through altering the system.
	Tanjore { South, Upland . . .	261	1886	1890	
	Kumbakónam . . .	260	1883	1888	
	Máyavaram . . .	261	1883	1889	
	Nannilam . . .	273	1884	1890	
	Negapatam . . .	216	1886	1891	
	Shiyáli . . .	145	1884	1887	
	Mannárgudi . . .	212	1884	1888	
	Patukóta . . .	277	1887	1889	
Malabar	Tiruturaipánda . . .	434	1888	1891	From the experience gained in Pálghát, it is not yet possible to frame any reliable estimate for Malabar and South Canara. But it is thought that if work progresses satisfactorily in these districts, the survey will be completed in 1900.
	Wynaad . . .	214	...	...
	Pálghát . . .	374	...	...
	Chirakal . . .	328	...	...
	Kurumbrañad . . .	148	...	...
	Kóttayam . . .	169	...	...
	Calicut . . .	169	...	...
South Canára	Erñad . . .	481	
	Walavanad . . .	339	...	...
	Ponáni . . .	301	...	...
	Coondapoor . . .	295	...	...
	Udipi . . .	496	...	...
	Mangaloro . . .	512	...	...
	Uppinaugádi . . .	693	
	Kásaragód . . .	617	...	...

34. We think a careful enquiry should be made into the causes of the slow

Enquiry suggested as to progress which is being made. One of these causes slow progress made.

appears to us to be the various interruptions which are allowed or ordered. The first, or proper, work of a Party is the cadastral survey of one or more ryotwari taluks on the 16-inch scale, while such Zamindari and Agraharam tracts as fall within the area are at the same time mapped topographically on the 4-inch scale; but this work is not infrequently interrupted by various other duties. The Survey Parties have in some cases been employed

Extraneous duties should not be assigned to the Survey Parties.

hitherto on topographical work in Hill tracts, but this will in future be taken over by the Government of India

Survey Department. Besides this, they have frequently been called on to undertake special isolated tasks—the cadastral survey of

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a salt factory, or of a Municipality, or of an escheated estate, or re-demarcation when the stones have been washed away or were not originally put up, or the survey of a tract which was formerly waste and is now cultivated. For all these tasks (some of them only half a square mile in area) parties have to be detailed to a distance, and much time is lost in travelling and supervision, and the main work of the Survey is delayed. We are informed that in all the cases brought to our notice the work might have been given to a local Surveyor or Engineer, or might have been postponed as not urgent; and we recommend that, as far as possible, this be done in future, and that the main work of the Survey, which is to prepare for the introduction of a revised assessment of the revenue, be as little interfered with as possible.

35. Another cause of delay is the want of concentration of the Parties, even as regards their proper work. Thus, there are two Survey Parties at work now in the Tanjore District: one is engaged with five taluks, one with three, besides other work elsewhere, and though the Survey has been in hand since 1882, not a single taluk is yet completed. The custom elsewhere is to set a Party to work in one taluk or in such part of two as may be comprised in a single traverse, and to finish that out of hand, making the records over to the Settlement Department, which follows close on the heels of the Survey. We think this system might with advantage be adopted in Madras.

36. The third chief cause of delay (which is partly also accountable for the dissipation of the Parties over such large areas) is the system of requiring that the entire demarcation of the fields be completed before the Survey is begun. This demarcation costs, we are told, from R57 per square mile in Bellary to R485 in the Nilgiris. The custom is to employ contractors to quarry and cut the stones and convey them to fixed depôts from which the royts are expected to convey them to the fields; there is always some delay in carrying this out, and in the Tanjore District the delay has been so excessive that the average outturn of work will be perhaps as low as 200 square miles per annum, and the cost quite double that incurred elsewhere. We are informed that it is possible to adopt more strenuous measures for the planting of the stones, and we think that if it is absolutely necessary that they should be planted before survey begins, such steps should be adopted as will avoid the delay now caused, by which the cost of Survey is materially increased. But we also observe that in no other Survey is it found necessary to insist on this field demarcation as an initial measure. Excellent as the system is from a scientific point of view, it seems to us to be a counsel of perfection; and we think the system should be reconsidered, when it is necessary to carry on a Survey in order to obtain for the Government its rightful share in the assets of the land. Every year's delay in the Tanjore Settlement causes a loss to Government, which no one estimates at less than five lakhs of rupees, and which is perhaps more than ten lakhs.

37. A fourth cause of delay is the system by which the Survey is separated from the plotting, different sets of men being employed on the two branches of work. It is held that this supplies a useful preventive against "fudging" work, but it is not found necessary in Upper India or in Bombay, and it is admitted that it causes some delay and increase of cost. We think this question might be reconsidered, and

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we recommend either that an experienced cadastral officer be deputed from Northern India to explain the process there followed, in this and other respects, or else that the Superintendent of Survey, Madras, be deputed during the next cold weather to visit two or three of the Survey Parties in Upper India which are working under conditions most nearly approaching those of Madras, as, for instance, those in Gorakhpur and in Assam.

38. We do not propose that the allotment for Survey should be cut down, except so far as economy may be produced by a larger employment of Natives and by a possible revision of the Central Office; and we retain the figure at the estimate for the present year, eight lakhs of rupees, subject to the Revised Estimate. But we think it should be urged upon the Madras Government to apply this expenditure as rapidly and exclusively as possible to the Cadastral Survey of Ryotwar land, the assessment of which is expected to produce a large increase of revenue. It should also be understood that the amount assigned for this purpose ought to be fully spent, and that the balance should not be diverted to other objects.

39. *Settlement.*—The details of the Settlement expenditure are shown below:—

	1884-85.	1885-86.	1886-87.
	R	R	R
Director of Settlement	92	28	27
Four Deputy and three Assistant Directors	57	57	61
Clerks, Servants, &c.	1,53	1,43	1,55
Contingencies and travelling allowance	24	21	30
TOTAL	2,60	2,52	2,76

40. The Director of Settlement receives R2,333 a month, and is also Director of Agriculture and in charge of the Inam Department and of the Land Revenue Irrigation accounts; but in the two latter capacities his work appears to be comparatively light. The Irrigation accounts business is almost entirely work for accountants and clerks, while the work of the Inam Department is chiefly mechanical. Under the new scheme it is proposed that he should be a Member of the Board of Revenue on R3,000 a month. Our suggestion with regard to this officer is that he should also have the Survey put under him, the post of the Superintendent of Survey being abolished. The Director of Settlement has five Settlement Parties to supervise; the Superintendent has five Survey Parties; and we think one officer should be able to supervise both sets; especially if, as we propose, their work can be brought closer together, so that the Settlement will follow within a year on the Survey, and after ground has been broken by the Survey in the first year, both Settlement and Survey Parties will be working together in the same district and in adjacent taluks. In the North-Western Provinces, no Director or Commissioner of Settlement has ever been appointed, though there have been times when Settlement was going on in eight or nine districts simultaneously; the Settlement Officers are subordinate only to the Member of the Board of Revenue who is specially in charge of this Branch. We doubt the need of any scientific or technical supervision of the Survey Parties on the spot; at least no such supervision is found necessary in any other Province, and the technical assistance required for the check-computations and the lithographic and photographic work can be provided by the Deputy Superintendent of Survey at the Central Office. The two

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branches of the work are so closely connected together that it seems to us desirable that they should be under a common head. For instance, the present Director informs us that, though the Survey has been at work for some years in Tanjore, he has not inspected the work and has no personal knowledge of how it is progressing. It seems possible that, when he comes to take up Settlement work there, he may find that the Survey has not done its work precisely in the manner most conducive to facilities of assessment; and it would probably be to the advantage of Government that he should be in a position to supervise and direct its procedure from an administrative, not a technical, point of view.

41. There are five Settlement Parties at work in Bellary, North Arcot (this is almost finished and the party is to move to Anantapur), South Arcot,

Madura, and the Wynaad. The four first Parties are under Deputy Directors,

Ordinary composition of a Settlement Party.		R
1 Deputy Director at . . .	750—1,100	
1 Assistant at . . .	425—550	
1 Ditto at . . .	250	
9 Clerks, 12 Servants, 1 Hospital Assistant in Deputy Director's office . . .	615	
3 Clerks in Assistant Director's office . . .	65	
Field Establishment—1 Supervisor . . .	150	
4 Head Classifiers at . . .	30	
30 Classifiers at . . .	20	
4 Gomastas and 37 Peons.		

one of whom is a Colonel in the Army, while two are uneovenanted Europeans and one is a Native; the fifth party is under a special officer, a Civilian. The ordinary composition of a Party is as shown in the margin, costing about Rs40,000 a year, which, with travelling allowances and contingencies, comes to Rs50,000. The average work done by a Party is said to be 640 square miles of classification, or 350 of assessment, but the actuals vary very much, and these figures appear doubtful. What the actual rate of progress in Settlement is may be illustrated by the following statement regarding the district of North Arcot, which has just been finished :—

Progress of Settlement.

Statement showing the dates of commencement and completion of classification and introduction of new rates of settlement in the North Arcot District.

Taluks.	Area classified and settled Sq. miles.	CLASSIFICATION.		INTRODUCTION OF RATES.	
		Commencement.	Completion.	Commencement.	Completion.
Chandragiri . . .	83	July 1871	October 1874	October 1882	June 1883
Chittoor . . .	252	February 1872	October 1874	May 1883	March 1884
Gudiyatam . . .	221	April 1873	May 1876	June 1883	March 1884
Palmanér . . .	112	May 1876	March 1877	October 1884	March 1885
Wallajah . . .	333	December 1878	August 1879	June 1881	March 1882
Arcot . . .	219	July 1879	December 1879	April 1882	February 1883
Vellore . . .	164	April 1880	September 1880	February 1883	June 1883
Pôlur . . .	259	August 1880	December 1880	March 1884	April 1885
Wandiwash . . .	351	April 1881	April 1882	May 1885	April 1886

N.B.—The classification of the first eight taluks was performed by Party No. II, and that of the last taluk by Party No. III.

The introduction of the new rates of Settlement in the Chandragiri, Chittoor and Palmanér taluks was carried out by Party No. I, and in the remaining taluks by Party No. II.

In the first four taluks demarcation and classification operations were carried out simultaneously.

During the years of famine the work was much interrupted owing to the officers belonging to the Settlement Parties being employed on famine duty.

42. This indicates very much slower progress than is common in any other part of India, and though a part of the delay is due to

Work should be expedited.

the calamity of the famine of 1877-78, we think that steps should be taken to expedite Settlement. In Upper India a district of this

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kind would ordinarily be settled in three or four years, when once the Survey was done, *i.e.*, in four or five years from the date when Survey was begun.

43. The following forecast of the working of the Settlement Department was drawn up by the Officiating Director and submitted to Government on the 14th December 1885:—

District.	Taluk.	Area in square miles.	PROBABLE DATES OF COMPLETION.		
			Survey.	Classification.	Introduction of Settlement.
Party No. I.					
Bellary . . .	Adóni . . .	767	Completed .	Completed .	September 1888.
	Alúr . . .	639	Do. .	Do. .	March 1889.
Anantapur . .	Gooty . . .	950	Do. .	December 1886 .	To be transferred to Party No. II.
Bellary . . .	Hospet . . .	381	January 1887 .	June 1887 .	September 1889.
	Bellary . . .	848	March 1888 .	March 1888 .	March 1890.
Party No. II.					
Anantapur . .	Gooty . . .	950	Completed .	Commenced by Party No. I.	September 1888.
	Tadpatri . . .	568	Do. .	March 1887 .	March 1889.
	Penukonda . . .	747	Do. .	December 1887 .	September 1889.
	Anantapur . . .	780	March 1888 .	March 1889 .	March 1890.
Party No. III.					
Madura . . .	Palni . . .	329	Completed .	Completed .	Completed.
	Periyakulam . . .	398	Do. .	Do. .	December 1886.
	Dindigul . . .	763	Do. .	Do. .	August 1887.
	Melár . . .	360	Do. .	Do. .	April 1889.
	Madura . . .	330	Do. .	Do. .	December 1888.
	Tirumangalam . . .	423	Do. .	Do. .	June 1889.
Party No. V.					
South Arcot .	Cuddalore . . .	417	Completed .	Completed .	March 1887.
	Villupuram . . .	472	Do. .	Do. .	September 1887.
	Tindivanam . . .	801	Do. .	Do. .	March 1888
	Tiruvannamalai . . .	826	Do. .	Do. .	September 1888.
	Kallakúrelai . . .	612	Do. .	December 1886 .	March 1889.
	Tirukoilúr . . .	416	Do. .	August 1887 .	September 1889.
	Vridhachalam . . .	453	Do. .	March 1888 .	March 1890.
	Chidambaram . . .	309	March 1887 .	March 1889 .	.....

44. It will be seen that the period clapsing between the completion of the Survey and the introduction of the Revised Assessment was estimated to be never less than two years; and in some cases, although the classification had been completed, the new Settlement was not expected to take effect till two or two-and-a-half years later.

45. The Government of India has already suggested that that part of the Settlement work, which is known as classification of soils, might be carried out by the Survey Department, and if the two branches of work are placed under one head, we see no difficulty in effecting this, and the present Director agrees that it could, with a little trouble, be carried out. The second main part of Settlement work—the assessment—has been of late much facilitated by the adoption of the “Table of Rates,” which does away with the necessity of making crop-experiments on an extended scale. We think, therefore, it is a practical suggestion that the Settle-

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ment operations should in future be so arranged as to follow immediately on the Survey, and thus to bring in, at an earlier date than has hitherto been usual, the gain which accrues to Government from the revision of assessment. One objection which has been mentioned to us is that a "scheme of assessment" is not prepared till a large area, say, about 1,800 square miles or from a third to half a district, has been classified, but the Director of Settlement has informed us that he thinks that (especially since the "Table of Rates" has been introduced) the "scheme" might be prepared (as is done elsewhere) taluk by taluk, at least so long as the taluk is fairly homogeneous in its soils.

Anticipated gain by Settlement during period of new Contract.

46. The amount which the Government expects to gain from revised assessments during the next five years is as follows:—

DISTRICTS.	In 1886-87.	In 1887-88.	In 1888-89.	In 1889-90.	In 1890-91.	In 1891-92.
	R	R	R	R	R	R
North Arcot	15	25	35	50	65	70
Madura	5	10	20	30	40	50
South Arcot . . . .	...	10	20	40	80	1,00
Bellary . . . . .	...	...	20	30	45	60
Anantapur . . . . .	...	...	20	25	30	50
Vizagapatam . . . .	...	...	..	5	10	20
Wynaad . . . . .	...	5	10	20	30	50
TOTAL	20	50	1,25	2,00	3,00	4,00

47. The Survey of South Arcot is finished except in two taluks, and yet the re-assessment will not begin to take effect till 1887-88. Loss by delay in operations. Two taluks of Bellary are done and two almost done, yet no increase will begin to come in till 1888-89. In Tanjore one taluk is nearly finished, and Survey is going on in eight out of the nine taluks, yet it is not anticipated that the re-settlement will begin to take effect during the currency of the next Contract. It will evidently be very much to the financial advantage both of the Local and of the Imperial Government to expedite the work of assessment. The five Settlement Parties ought to be able to work at least as fast as the five Survey Parties, and if they do, the re-assessment of the whole of Tanjore might be completed by the year 1889.

48. If, however, there is, of necessity, any great delay in completing the Settlement of a district which is known to be very much under-assessed, *e.g.*, Tanjore or Malabar, we would suggest that, in the meantime, a summary Settlement might be made on the basis of the village papers, so as to avoid the loss which would otherwise ensue to the Government treasury.

Summary Settlement might be made, where delay unavoidable.

49. We do not propose any reduction in the number or cost of the Settlement Parties, though, if the work of Survey and Settlement could be more amalgamated (as in Northern India), it would result in transferring the field establishment to the Survey Branch, and might perhaps produce economy; but the main point we would urge is that more work should be done by the Parties and the districts be more speedily relieved of the Settlement operations. As to the Director's Central office, we notice that it is extremely strongly manned, and in this opinion the Director agrees. It consists of an uncovenanted Assistant at R500, a Manager at R200, sixteen clerks, five copyists and servants,—net cost about R20,000 a

Reduction proposed in Director's office.

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year. We think the Assistant should be abolished or his pay reduced, and that, by amalgamation with the Irrigation Accounts Department, the cost might be reduced by at least Rs6,000 a year. The reduction will bring the grant for Settlement down to 2,70.

Future allotment.

SALT.

50. *Revenue (Provincial).*—The Provincial Revenue under Salt shows the following figures 25, 38, 45, 91, and Budget 1,37. This rapid increase during the last two years arises from a new item of receipt from manufacturers. Under the old salt system the salt factories were the property of, and were maintained by, the Government, the manufacturers being allowed to manufacture for Government alone. Now that the excise system has been introduced, anybody may set up a factory (under proper license); but to prevent the loss to Government of the money it has invested in the construction of canals and other works, the manufacturers in the already existing Government factories are made to pay interest at 5 per cent. on the estimated capital cost of the works. It seems doubtful if new receipts, arising in an Imperial Department and in connection with a radical change of system in an Imperial source of revenue, should properly have been Provincial; but they are within the letter of the original definition of Provincial Salt receipts, though of course they were not contemplated at the time of the Contract. There is no objection to their being reckoned Provincial in future, and they may be taken at the Budget Estimate of 1,37.

51. *Expenditure.*—No part of the Salt expenditure is Provincial. (See under Excise, paragraphs 62—69.)

STAMPS.

52. *Revenue.*—The Revenue under Stamps has continually increased, the figures being as follows:—

	1882-83.	1883-84.	1884-85.	1885-86	1886-87, Budget.
	R	R	R	R	R
Special copy stamps . . . . .	...	1,54	1,68	1,91	1,81
Other revenue	52,08	54,71	54,81	57,09	56,19
TOTAL	52,08	56,25	56,49	59,00	58,00

53. The figures of the first line refer to certain special arrangements, of which the expenditure side will be found under Law and Justice, Civil Courts. It is understood that the Madras Government have it in contemplation to reduce the copying fees on the ground that the profit made on copying is more than they think to be justified. But even admitting that deduction, it would appear that the Budget Estimate may be taken as the standard of the revenue.

Copy stamps.

54. *Expenditure.*—The charges for Stamps include (1) Superintendence, (2) Charges for sale. The first of these is taken in the Budget Estimate at Rs35,600, which appears to be somewhat excessive, the charges for contingencies having, in all recent

Superintendence.

The Future Provincial Contract with Madras.

Excise.

estimates, been placed at about R8,000 against an expenditure of R5,000 or R6,000. The Madras Government inform us that, as soon as certain arrangements in connection with Excise in the Town of Madras are carried out, in all probability before April 1st next, they will be able to abolish the separate appointment of Superintendent of Stamps and Stationery, conjoining it with that of the Collector of Sea Customs and of the Madras district. This will procure a saving of R12,000 under this head, and we may take the whole estimate at R22,000.

55. The charges for sale stand in the actuals of 1885-86 at 1,31, and in the estimates of 1886-87 at 1,24. It seems a little doubtful if sufficient provision is made in this last figure.

The rates of discount allowed are, for the most part, 5 per cent. and 3 per cent. on the sales of non-judicial, and $1\frac{1}{2}$ and 1 per cent. on those of judicial, stamps; and the charges in the past have always exceeded 1,30.

56. The figures, however, include three salaried vendors at the High Court and Small Cause Court in Madras. The salaries of these men are R150, R80 and R60 (a total of R3,480 a year), which appear to us far too high, considering that the work requires no sort of skill, and that, though the men deal with matters of value, the check over the business is simple and complete. The Government of Madras are prepared to reduce by one-half the cost of the vend at these places; but as the estimate is probably already too low, we do not at present reduce it further on this account.

57. Our estimate for the whole head is R22,000 for the first part and R1,24,000 for the second; total R1,46,000.

EXCISE.

58. *Revenue*.—The Budget figure is 84,80. In January last it was anticipated that there would be some falling-off as compared with 1885-86, and moreover that an item of 1,80 in connection with the excise of Madras Town would be omitted from both sides of the account. There seems to be little doubt that the estimate of 84,80 will be exceeded, and it is only accepted pending the Revised Estimate.

59. Part of the country spirit consumed in Madras Town is imported from Colombo, and the duty upon it is thus credited under Customs, not under Excise. The amount imported is gradually falling off, as locally-manufactured spirit is taking the place of Colombo arrack. The estimate of import duty made this year was R4,00,000 (on a hundred thousand gallons of London Proof strength), but it is not likely to be realised. It seems to us that it should be arranged that the import duty upon this particular spirit should, during the short time for which its import is likely to last, be dealt with as Excise, estimated on the basis of the actuals (or revised) of 1886-87, and taken as part of the Excise revenue for the purpose of the new Contract.

60. The revenue from opium is raised in two ways. First, as regards the import of opium into the Presidency:—The pass-fees levied at Indore or Bombay (whence the opium all

Duty on Colombo arrack imported for consumption in the Town of Madras.

Excise opium,

The Future Provincial Contract with Madras.

Excise.

comes or ought to come) are remitted to Madras either by hundi, or by transfer receipt. Secondly, the monopoly of vend within a prescribed area is sold.

61. There seems to us to be a defect in this system in its not providing any security that the monopoly-holder imports his opium in the authorised way. He has a direct inducement to smuggle it if he can, and the facilities for smuggling are considerable along the long frontier of the Nizam's territory. We would suggest to the Madras Government the plan adopted in the North-Western Provinces, of making the monopoly-holder guarantee a certain amount of consumption, and seeing that he really, by pass-fees or otherwise (in the North-Western Provinces it is by purchase of opium from the treasury), makes up the prescribed quantity of duty-paid opium.

62. *Expenditure.*—The Salt and Excise Departments have been combined since 1885-86, and the expenditure is now in many respects conjoint, being shown in the Budget of 1886-87 against Salt only. It is therefore necessary to define with some precision the manner in which the expenditure should in future be divided between the two heads, one of which is Imperial and the other partly Provincial.

Distribution of Expenditure.

63. The accounts show us for Excise—

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.
	R	R	R	R	R
Revenue . . .	64,84	64,58	66,12	77,33	88,26
Expenditure . . .	1,86	1,97	1,99	2,32	3,55

And for Salt—

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.
	R	R	R	R	R
Revenue . . .	1,47,29	1,89,09	1,88,55	1,37,99	1,44,82
Expenditure . . .	19,28	15,23	16,07	16,82	12,89

64. The figures detailed in the next page, which we have compiled with the aid of the Commissioner, show how the Excise accounts for 1885-86 were made up out of the accounts of the combined Department, and it should be understood that they will be thus compiled in the future. The summary of the figures is as follows :—

	1884-85.	1885-86.	1886-87, Budget	1886-87. Present Estimate.
	R	R	R	R
Salt—				
General charges of the combined Departments . . .	9,02·0	9,77·7	12,23·5	11,81·0
Deduct chargeable to Excise . . .	...	1,03·0	1,62·0	1,54·3
Net . . .	9,02·0	8,74·7	10,61·5	10,26·7
Add special Salt charges . . .	7,30·6	4,14·1	3,41·6	4,31·8
Total, Salt . . .	16,32·6	12,88·8	14,03·1	14,58·5
Excise—				
Special Excise charges . . .	2,30·4	2,52·6	95·0	1,00·0
Excise portion of general charges . . .	...	1,03·0	1,62·0	1,54·3
Total, Excise . . .	2,30·4	3,55·6	2,57·0	2,54·3

The Future Provincial Contract with Madras.

Excise.

Statement showing the new distribution of Salt and Excise Charges.

	1884-85.	1885-86.		BUDGET ESTIMATE, 1886-87.		PRESENT ESTIMATE FOR 1886-87.		REMARKS.																																
		Total.	Deduct Excise share.	Total.	Deduct Excise share.	Total.	Deduct Excise share.																																	
-General Charges.	R	R	R	R	R	R	R																																	
Commissioner	39.0	37.5	6.3	34.6	5.8	29.3	4.9	The figures of 1884-85 have been taken as follows:— General charges 9,02.0 } Total 16,32.6 from the Salt do. 7,30.0 } Salt Report, page 77. Excise charges from the Excise Report. They do not differ materially from the Finance and Revenue accounts. The figures of 1885-86 have been taken from the Salt Report in this way:— The Salt Report, page 83, gives under each head the sum of A, B, and C, but the Salt Commissioner has given us separately the figures of Part C, and by deducting these from the Salt Report figures, we get those of the second column in Parts A and B. The Excise share of the General charges is calculated as follows:— Down to "Sub-Inspectors" taking each head separately, the total charges are divided according to the amount of the sanctions given for Salt purposes and for Excise purposes respectively, namely:— <table><tr><th colspan="3">PER MENSEM.</th><th>Total sanction.</th></tr><tr><th>Salt.</th><th>Excise.</th><th></th><th>R</th></tr><tr><td>Commissioner</td><td>2,500</td><td>500</td><td>3,000</td></tr><tr><td>Deputy Commissioners</td><td>2,720</td><td>1,212</td><td>3,932</td></tr><tr><td>Assistant do.</td><td>5,250</td><td>650</td><td>5,900</td></tr><tr><td>Inspectors</td><td>14,250</td><td>1,950</td><td>16,200</td></tr><tr><td>Assistant Inspectors</td><td>7,400</td><td>2,075</td><td>10,075</td></tr><tr><td>Sub-Inspectors</td><td>8,210</td><td>3,160</td><td>11,370</td></tr></table> The proportions, and the resulting calculation, will of course vary from time to time. The clerks, servants and guards are similarly divided between the two heads.	PER MENSEM.			Total sanction.	Salt.	Excise.		R	Commissioner	2,500	500	3,000	Deputy Commissioners	2,720	1,212	3,932	Assistant do.	5,250	650	5,900	Inspectors	14,250	1,950	16,200	Assistant Inspectors	7,400	2,075	10,075	Sub-Inspectors	8,210	3,160	11,370
PER MENSEM.			Total sanction.																																					
Salt.	Excise.		R																																					
Commissioner	2,500	500	3,000																																					
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Sub-Inspectors	8,210	3,160	11,370																																					
y Commissioners	32.2	29.8	1.5	47.2	14.5	38.2	12.7																																	
ant do.	60.5	71.5	6.5	87.6	7.8	81.7	7.1																																	
tors	1,25.4	1,35.8	9.2	2,02.2	22.0	1,74.5	17.6																																	
ant Inspectors	90.5	1,21.6	30.6	1,35.3	31.7	1,33.5	31.8																																	
inspectors	75.3	92.1	19.2	1,32.8	36.1	1,25.3	33.3																																	
ts and guards	59.2	3,99.7	20.8	5,01.4	33.1	4,89.2	32.5																																	
ling allowances	3,42.5																																							
re and telegrams	40.0	49.6	5.2	51.8	6.9	69.0	9.0																																	
ellaneous	10.2	11.0	1.2	13.3	1.8	13.4	1.8																																	
TOTAL	9,02.0	9,77.7	1,03.0	12,23.5	1,62.0	11,81.0	1,54.3																																	
Special Salt Charges.																																								
tre Amins	7.3	...	6.1	...																																	
uring establishment	9.3	...	5.5	...																																	
rary establishment	38.7	46.6	...	76.8	...	65.5	...																																	
guarding pans, &c.	1,00.0	...																																	
nsations	18.8	21.5	...	22.5	...	22.7	...																																	
ds	67.4	55.4	...	74.1	...	79.1	...																																	
onstruction and repairs																																	
and rates	2.6	2.9	...	3.9	...	3.6	...																																	
uction of spontaneous	1.4	.9	...	2.6	...	1.3	...																																	
orage works	30.2	19.8	...	9.1	...	18.0	...																																	
yance of salt	81.2	25.3	...	4.0	...	5.1	...																																	
ase of salt	4,30.5	1,47.4	...	48.6	...	54.9	...																																	
ighing machines	2.7	26.4	...	7.9	...	4.4	...																																	
ellaneous	57.1	67.9	...	75.5	...	65.6	...																																	
TOTAL	7,30.6	4,14.1	...	3,41.6	...	4,31.8	...																																	
-Special Excise Charges.																																								
tors' establishments	17.7	16.9	...	11.8	...	12.8	...																																	
s Town do.	21.8	22.0	...	19.8	...	19.9	...																																	
l Office do.	2.9	12.5	...	17.6	...	14.5	...																																	
ling allowances83	...																																	
re and telegrams3	.5	...	1.1	...	1.3	...																																	
ds1	1.1	...	1.9	...	9.4	...																																	
ration charges	3.3	3.7	...	4.8	...	6.1	...																																	
e stores	7.4																																	
ellaneous	5.4	3.2	...	10.0	...	11.2	...																																	
so of spirit	1,77.1	1,77.8	...	20.0	...	17.5	...																																	
nsation to Municipa-	7.5	...	8.0	...	7.0	...																																	
TOTAL	2,30.4	2,52.6	...	95.0	...	1,00.0	...																																	
GRAND TOTAL	18,63.0	16,44.4	...	16,60.1	...	17,12.8	...																																	

65. This gives us 16,60.1 for the total Budget Estimate of 1886-87 for both heads. Of this amount 16,25.0 have been provided under "Salt" in the Madras Estimates, and 35.1 under the same head in the Bengal Estimates.

The Future Provincial Contract with Madras.

Excise.

66. At the time the Budget Estimates were drawn up, the principle, on which the division should be made, had not been decided, and nothing whatever was shown in the accounts against Excise. The Estimates, however, taking the Excise share of the common expenditure at 2,45, provided for half this amount, or 1,22 as a contribution from Provincial to Imperial; but, as is shown by the more accurate division now made, the contribution should have been half of 2,57. The Government of India have, however, recently directed (F.D. 1371, dated 14th June 1886) that the charges for Excise should be passed across to the head of Excise, instead of being adjusted by contribution; and we presume that the plan of taking part of the Salt charges into the Bengal Estimates, which is both inconvenient and unnecessary, will be discontinued, and that they will remain entirely in those of Madras.

67. The Budget Estimates, therefore, which now show—

	R
Madras Estimates, Salt	16,25.0
Bengal „ „	35.1
TOTAL .	<u>16,60.1</u>

would, if constructed on the plan now set forth, show—

Madras Estimates, Salt	14,03.1
„ „ Excise	2,57.0
TOTAL .	<u>16,60.1</u>

68. Except in one respect, the figures of the Budget of 1886-87 may be taken as measuring the completed reorganisation of both Higher grades of certain classes of officers not filled up. departments. That one respect is that, the department being new, the higher grades of Inspectors and Sub-Inspectors are not yet filled up; but they will be filled up, and a slight increase of expenditure will be caused, in future years. The Budget Estimates, under Head A, General Charges, in providing for the full scale, provide, it will be seen, for a higher rate of charges than is at present being actually incurred. The part of the increase, that will in future fall upon Excise, is so small that it may be left to be covered by increase of revenue without any special arrangement.

69. As regards the expenditure, we have not here to deal with the figures of the Salt Department as such. We accept the fact of the re-organisation of the department and the increase of expenditure from 13,28 in 1881-82 to 16,32 in 1884-85, during which years the monopoly system, under which Government made and sold its own salt, was being supplanted by the excise system, under which the makers can sell to whom they please, provided they pay duty before removing the salt. In 1884-85 the Salt Department took charge of the Excise, and a new system was also introduced into it.

70. The expenditure under Excise used to be composed of merely 1,80 for purchase of country spirit in Madras Town, and of about 20 for establishments there, the system in the Interior being one of vend of monopolies, to which no special expenditure was attached. A regulated distillery system has now been introduced, that is, distilleries are established by licensed distillers, to which

The Future Provincial Contract with Madras.

Customs. Assessed Taxes.

the department supplies guards, and thust he expenditure side shows a considerable increase. In 1885-86 we had both the new expenditure upon distilleries and the old system of purchase of spirit in Madras Town, but in 1886-87 this latter system has ceased, and spirits pass into consumption without being purchased and re-sold by Government. The questions involved in the expenditure are therefore pure questions of Revenue administration, and as the revenue has very greatly increased, the comparatively small increase of expenditure is amply justified.

CUSTOMS.

71. *Revenue (Provincial).*—Actuals 1885-86, 23; Budget 1886-87, 27. The petty rents and miscellaneous receipts credited to Provincial under this head have decreased of late years owing to the transfer to the Madras Harbour Works authorities of a portion of the Customs yard free of charge. The Budget figure is taken.

72. If our proposals in paragraph 59 are approved, the Imperial Customs Revenue will be to a certain extent affected.

73. *Expenditure.*—The expenditure since 1881-82 is shown in the margin.

	R	
1881-82 . . .	2,33	The decrease since 1881-82 is due to the abolition since
1882-83 . . .	1,35	1882 of the majority of the customs duties and to con-
1883-84 . . .	1,70	sequent reduction of the establishments, and to the
1884-85 . . .	1,60	transfer from this head to that of Land Revenue of
1885-86 . . .	1,63	one-third of the pay (28) of the Collector of Sea Cus-
1886-87, Budget . . .	1,68	toms, who is also Collector of the Madras district. The question of the neces-

sary strength of the establishment is now again under consideration, and the Board of Revenue have proposed reductions aggregating Rs,088 per annum. It appears also that in the Budget of 1886-87 the office and miscellaneous expenses of the Madras Custom House were over-estimated by at least Rs,2,000, and that some further reductions, the amount of which does not appear, are possible in the South Canara and Malabar districts. On the whole, it seems clear that a saving of not less than Rs,10,000 per annum may be expected, and we have therefore taken the future expenditure at 1,58 in framing the Contract. This will in future be classed as Imperial with reference to the Government of India letter, Financial Department, No. 2187, dated 26th July 1886.

Proposed reductions.

ASSESSED TAXES.

74. *Revenue.*—The assessments under the new Income Tax are not far enough advanced to enable us to say at what figure the proceeds should in future be placed, and we therefore for the present take the figures of the Budget Estimate.

75. *Expenditure.*—The expenditure this year is estimated at Rs,80,000, and the Board of Revenue state that they cannot reduce it below Rs,30,000 in future. We consider this a somewhat high figure, for the Collectors seem to us to be estimating for unnecessarily large clerical establishments. But in the face of the Board's decided opinion, we are not disposed to recommend a reduction, especially as we believe that recent inquiries have shown that there is room for greater energy in the administration of the tax.

The Future Provincial Contract with Madras.

Forests.

FORESTS.

76. The Forest Department accounts up to 1884-85 do not exactly agree with the published accounts, but as the figures are not greatly different, we may, for practical purposes, take the Departmental accounts as correct. They are as follow:—

Northern Circle.

	1882-83.	1883-84.	1884-85.	1885-86.	1886-87. Budget.
REVENUE.					
Removals by Government Agency—	R	R	R	R	R
Timber	63	46	93	65	1,08
Firewood	38	61	58	79	89
Firewood, &c., removed by consumers	2,65	2,66	3,56	3,69	3,38
Other revenue	23	40	30	38	25
TOTAL	3,89	4,13	5,37	5,46	5,60
EXPENDITURE.					
Removals by Government Agency—					
Timber	29	29	33	22	42
Firewood	28	17	39	43	32
Removals by consumers	3	7	13	21	28
Communications, &c.	1	38	17	12	39
Plantations and Protection	43	39	39	35	35
Other Conservancy charges	23	32	45	46	74
Conservators and Superior Officers	33	40	93	93	99
Other Establishment charges	91	5	1,08	1,30	1,55
TOTAL CHARGES	2,51	3,02	3,87	4,02	5,04
SURPLUS	1,38	1,11	1,50	1,44	56

Southern Circle.

	1882-83.	1883-84.	1884-85.	1885-86.	1886-87. Budget.
REVENUE.					
Removals by Government Agency—	R	R	R	R	R
Timber	1,43	1,10	1,41	1,35	1,83
Firewood	14	13	27	31	41
Grass, &c.	10	55	29	13	50
Removal by Consumers	3,03	3,33	3,92	4,39	4,53
Other Revenue	45	35	36	31	23
TOTAL	5,15	5,46	6,25	6,52	7,50
EXPENDITURE.					
Timber, &c., removed by Government	28	27	29	37	75
Ditto by Consumers	18	18	31	43	57
Communications, &c.	18	23	30	21	44
Plantations and Protection	43	38	50	53	73
Other Conservancy charges	69	83	69	80	1,27
Conservator and Superior Officers	87	97	1,03	1,16	1,12
Other Establishment charges	1,22	1,57	1,85	1,85	2,18
TOTAL CHARGES	3,85	4,43	4,97	5,35	7,06
SURPLUS	1,30	1,03	1,28	1,17	44

77. The above figures show in both the Circles of the Presidency a continual increase of revenue and of expenditure. The Budget figures of 1886-87 are drawn up on too cautious a scale and the final result will no doubt be more favourable than the figures above set forth.

The Future Provincial Contract with Madras.

Registration.

78. The Department has been for some years following the lines of forest conservancy laid down by Dr. Brandis in 1882, and the work has to a large extent been of a preliminary nature. Establishments have been organised, new districts occupied, forest tracts selected, and settlement commenced. It may rather be said that the revenue has been realised as a means of paying for the expenditure, than that the expenditure has, during the last few years, been directed towards obtaining revenue. We thus find in both the divisions a large increase of establishments; and the expenditure on communications and buildings, and on plantation, protection and demarcation has also been going on at an increasing rate.

79. The operations which have reference to immediate realisation of revenue are those shown against the heads of timber and other produce removed by the department and by consumers. The expenditure against these works is in both cases increasing, but it has brought in a still more rapidly increasing revenue.

80. The views of the Government of Madras are that this preliminary development and organisation of the Forests will, for some time, continue to require the appropriation of as much revenue as can be spared; and they are anxious, therefore, that the special arrangement should continue by which, in Madras, the head of Forests is entirely Provincial instead of being half Imperial and half Provincial. Pending instructions, we have so framed our estimates. If this is conceded, they are willing that the surplus shall be reckoned at 2,50, which, it will be seen, is about the amount actually produced in 1885-86. The revenue figures of that year were not specially high, but it is possible that the Government may, in the condition of organisation to which the department has now reached, be desirous of pushing on at a somewhat greater rate those kinds of expenditure which are not immediately profitable.

81. The surplus of 2,50 being agreed upon in this way, it is of less importance what precise figures we take for the revenue and expenditure, and 13,00 for revenue and 10,50 for expenditure seem suitable.

REGISTRATION.

82. Revenue.—The revenue under the head of Registration is derived from two sources—fees, &c., for the registration of documents, and fees levied under the Joint Stock Companies Act. The revenue derived from Registration proper has steadily increased during the period of the current Contract. Fees levied for the registration of Joint Stock Companies have fluctuated very considerably. The following are the figures since 1882-83 :—

	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.	1887-88 (Departmental Estimate).
	₹	₹	₹	₹	₹	₹
Registration proper	5,73·2	6,22·6	7,45·6	8,38·5	8,10 0	8,50·0
of Joint Stock Companies	6·2	9·5	12·8	87·8	15·0	20·0
TOTAL	5,79·4	6,32·1	7,58·4	9,26·3	8,25·0	8,70·0

The Future Provincial Contract with Madras.

Registration.

83. The high Joint Stock Company Registration revenue of the year 1885-86 is stated to have been due to the starting of a number of bubble companies. This is evidently not likely to continue, nor is it probable that the revenue of the future will even approximate to the average (37) of the past three years. The departmental Revised Estimate of the current year and the Budget Estimate of 1887-88 are Rs 20,000 for each year.

84. In the Registration revenue proper an increase of $11\frac{1}{2}$ only over the actuals of 1885-86 is estimated for in 1887-88. No departmental Revised Estimate has been framed for 1886-87, but it may be taken at the same figure, we understand, as the departmental Budget Estimate of 1887-88. It appears to us that, in the light of past experience, this estimate is low. A continuance of such increments as those of past years,—8·6, 19·8, and 12·5 per cent.—is hardly to be expected; but we think that a somewhat larger increase may be fairly anticipated, and we have therefore taken the whole Registration revenue at 8,75 in framing the Contract.

85. *Expenditure.*—The expenditure on the registration of Joint Stock Companies is trifling and requires no remarks. The subjoined statement exhibits the progress of expenditure on the Registration Department proper :—

	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.
Superintendence—	R	R	R	R	R
Salaries	18·0	18·0	18·0	18·0	18·0
Establishment	8·3	9·4	9·3	9·5	10·6
Contingencies	4·0	3·3	4·0	4·0	4·5
Travelling allowance	4·0	2·3	2·2	3·2	3·0
TOTAL	35·3	33·0	33·5	34·7	36·1
District charges—					
Salaries	1,56·6	1,81·9	1,66·8	1,78·5	1,96·2
Commission	2,11·0	2,16·6	2,50·4	2,81·3	2,69·0
Establishment	17·8	18·9	42·8	49·0	54·0
Contingencies	26·0	27·9	29·7	33·2	43·0
Travelling allowance	4·9	4·3	5·6	4·3	5·7
TOTAL	4,16·3	4,49·6	4,95·3	5,46·3	5,67·9
GRAND TOTAL	4,51·6	4,82·6	5,28·8	5,81·0	6,04·0

Net revenue of past years.

86. The net revenue of the Registration Department proper has therefore been as under :—

	R
1882-83	1,22
1883-84	1,40
1884-85	2,17
1885-86	2,58

87. The above figures exclude from consideration the Public Works expenditure on Registration offices, which has been as shown in the margin. The Budget Estimate of the Public Works expenditure in 1885-86 was 1,00, but many works were postponed in consequence of the financial pressure. The full provision of separate accommodation for the Registration offices is considered to be a matter of great importance, both in order to the safe preservation of the books and because experience shows that Registration gains in popularity, when dissociated from the offices of the Tahsildars and Deputy Tahsildars in which the work was formerly conducted.

Public Works expenditure in connection with the Department.

	R
1882-83	45
1883-84	54
1884-85	1,18
1885-86	29

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Registration.

88. The increased expenditure on Superintendence is moderate, considering the expansion of the operations of the department. It seems to us doubtful, however, with reference to our observations and recommendations regarding the Registration Department in other Provinces, whether it is necessary to pay so high a salary as ₹1,500 per mensem to the head of so small a department as the Madras Registration Department. The permanent members of the Committee think it would be preferable to amalgamate the appointment of Inspector General with some other office, as is already done in the North-Western Provinces, and, as they have recommended, shall in future be done in Bombay. But if the Government of Madras is unwilling to adopt this course, they recommend that, on the occurrence of the next vacancy in the tenure of the appointment, the salary be reduced to ₹1,000 per mensem. The local members agreed to the latter of these two proposals, but thought the salary should not be reduced below ₹1,250.

89. The increased expenditure since 1882-83 under the head of District Charges is due to the creation of a large number of new Registration offices. In 1882-83 there were 253 Registrars and Sub-Registrars. On 1st October 1886 the number had risen to 354.

90. The system of the Madras Presidency in respect to Registration is peculiar. Except in sixteen cases, where the duties of the office are very light and its revenue altogether insufficient to support a separate officer, and in which *Ex-officio* Sub-Registrars are consequently employed, the ordinary district staff have no connection (save that of occasional and apparently somewhat superficial inspection) with the operations of the department. All the 22 District Registrars and 316 of the Sub-Registrars are special officers having no other duties.

91. The District Registrars are divided into seven grades on the salaries shown below *plus* commission at 19 per cent. on the collections, up to a maximum of ₹100 per mensem in Madras and of ₹50 in the Mofussil :—

₹	
1 on 500 (a)	(in Madras town).
1 „ 300	(in Tanjore).
3 „ 250	(in Calicut, Tinnevely, and Madura.)
4 „ 200	} in the less important districts.
6 „ 175	
6 „ 150	
1 „ 100	
<u>22</u>	

(a) This officer is also Registrar of Joint Stock Companies.

92. The Special Sub-Registrars are also divided into seven grades as shown below, and receive commission at 19 per cent. on the collections in addition to their pay, subject to a maximum of ₹50 per mensem in all cases :—

₹	
10 on	75
10 „	60
20 „	50
20 „	45
30 „	40
30 „	35
196 „	30
<u>316</u>	

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Refunds.

93. All the above salaries are personal, not local, with three exceptions in the Wynaad, where special rates have to be given on account of the unhealthiness of the climate.

Salaries generally personal, not local.

94. The establishments are of two classes, permanent and temporary. The former are few in number and are almost exclusively employed in the offices of the District Registrars, on duties, such as correspondence, keeping up registers, compiling returns, &c., of such a nature that they cannot be given out on the piece-work system. The bulk of the establishments, comprising all the copying clerks, are paid by commission at 19 per cent. on the collections of their respective offices, which are divided among the several hands on a fixed system. The few permanent clerks are paid from R12 to R30 per mensem in the Mofussil, and from R25 to R50 in the Presidency Town.

Subordinate establishments.

95. The rate of commission was formerly 20 per cent. on the collections. It has now been fixed at 19 per cent. on the supposition that 1 per cent. covers the cost of Contingencies.

Rate of commission.

96. The system is necessarily costly, but the Local Government attaches great weight to its maintenance, and we do not suggest any alterations, except in respect of those offices which do not earn enough to pay the expense of their up-keep.

The system costly.

97. We find that there are fifty-four such deficit offices—fifty under Special and four under *Ex-officio* Sub-Registrars—the aggregate loss on the working of which amounted in 1885-86 to no less a sum than R9,926. We think that, after a reasonable time has been allowed in the case of new offices to work them up, the Special Sub-Registrars might not unreasonably be told that Government would give them the full prescribed remuneration if they earned it, but could not give them any addition to their fixed pay unless the working of their offices yielded a surplus from which the payment might be made. We do not propose to take the loss by the working of these offices into consideration in fixing the figures of the Provincial Contract, but we think that the subject should receive early attention at the hands of Government. It would, no doubt, be inadvisable to close any office which meets a clearly ascertained public want, merely because it does not yield a profit; but every effort should be made to minimise such losses as cannot altogether be avoided.

Deficit offices.

98. The departmental Budget Estimate of expenditure for 1887-88 is 6,39.5, including 1.4 for Registration of Joint Stock Companies and 15 for the opening of new offices. The expenditure is considered likely, therefore, to exceed that of 1885-86 by 58.5. Part of this increase is, of course, due to the increased payment of commission, which necessarily results from increased receipts. We think, however, that the opening of new offices might be deferred until more funds become available from the improved working of existing offices, and that the provision of 15 should therefore be expunged from the Budget, and the Contract figure of expenditure be taken at R6,25,000 in round numbers.

Estimate of future expenditure.

REFUNDS.

99. We have already, in discussing that head, estimated the Refunds of Land Revenue at 1,72 (*vide* paragraph 22). For those of Stamps the Budget

The Future Provincial Contract with Madras.

General Administration.

gives 72, which fairly accords with the figures of recent years, of which the lowest is 63 and the highest 82. The remaining figures are small, namely, Excise 3, Assessed Taxes (which will have to be further considered when the estimates of revenue are made and which for the present we leave out of account) 6, Forests 2, and Registration 2.

GENERAL ADMINISTRATION.

100. The total cost of General Administration rose from 9,61 in 1881-82 to 10,54 in 1882-83, and has continued pretty steady at that figure ever since. About 60 of this is due to the Local Funds account establishment which is paid for by those Funds under another head, and about 17 is increased cost of the Secretariat establishments.

101. The chief items under this head are the Governor with his Staff and Household; the Executive Council; and the Board of Revenue which is in process of reconstruction, a new scheme^(a) for its constitution having been drawn up and submitted to the Government of India, on which therefore we have nothing at present to say. The only items which call for remark are the Military Secretariat and the Translation Department.

102. The Military Secretariat consists of seventeen clerks whose average pay is R138 per mensem, and of whom eight draw R100 and over. The Revenue Secretariat has twenty-four clerks and the Chief Secretariat forty-one, on an average pay of R100, and with only six and thirteen respectively drawing R100 and over. We find that the Government of Madras agree with us that there is room for reduction here, and we recommend that the salaries be lowered to an average of R100, as in the other two Secretariats. The present Head Assistant on R600 is about to retire, so there is an opportunity for reconstruction. We assume a reduction of 6 on this account.

103. There are five Translatorships, which are held by highly-paid European officers of Government (two Under Secretaries, a Sub-Secretary to the Board, a Sub-Collector, and a Professor of the Presidency College) on allowances of R300 each for Hindustani, Tamil, and Telugu, and of R250 each for Canarese and Malayalam. It is presumed that they do the work out of office hours. They have each two Munshis and Pandits, ten in all, whose pay averages R115 per mensem, besides nine clerks on R20 or 30. They translate Acts into the vernaculars and are also official reporters on vernacular newspapers, the number of which is not large. We think the work is overpaid, and that such posts should be held by Natives of the country; nor do we see that there is any difficulty in carrying out this change at once, without regard to existing incumbents. We believe the Madras Government agrees with us, except as to the last point. Native Translators would do more of the work themselves, and be less dependent on the well-paid Munshis and Pandits now entertained, and we should propose a very large reduction were we not assured that it would be almost impossible to obtain men who are acquainted with more than one language, and that the present allowances must be continued with little change, the only saving being in the establishment. We place the reduction therefore at 8.

(a) This scheme has recently been sanctioned by the Secretary of State, and will be brought into effect from April 1st, 1887.

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Law and Justice, Courts.

104. The cost of the movement of the Government to the Hills will depend on the rules sanctioned for Hill allowances, on which a separate Note^(a) has been submitted, and we take no credit at present in our calculations for any savings.

105. The total expenditure was 10,07 in 1883-84; 10,51 in 1884-85; 10,67 in 1885-86; and is estimated at 10,53 for 1886-87. Pending the Revised Estimate we accept the figure 10,53, and deducting 6 for the Military Secretariat and 8 for the Translation Department, we fix on 10,39 for the future Contract.

LAW AND JUSTICE, COURTS.

106. *Expenditure.*—The following are the details of the accounts and estimates under the head of Law and Justice, Courts:—

	1884-85.	1885-86.	1886-87. Budget.	Committee's Estimate.
High Court	4,72	4,66	4,65	4,54
Law Officers	93	85	91	91
Coroner	0	0	0	0
Justices of the Peace	66	64	66	42
Civil and Sessions Courts	22,26	22,93	22,70	22,70
Small Cause Courts	86	85	85	85
Criminal Courts	9,25	9,09	9,26	9,26
Pledership Examinations	10	1	10	10
Refunds	59	49	55	55
	39,46	39,01	39,77	39,42

107. The High Court has been dealt with in a separate Note, (b) and for present purposes we take the Budget Estimate as it stands, except as regards the emoluments of the Sheriff, R10,776, whose office the Government is prepared to make an honorary one in future. We deduct 11 on this account.

108. As regards Law Officers, the Local Government informs us that it is not satisfied with present arrangements, and has in contemplation some changes, which will result in an economy of about one-third of the whole charge. But pending their further consideration, we do not allow for this reduction of expenditure.

109. The Board of Revenue and the Government Pleader in the High Court do between them the Government work which in other provinces falls on the Legal Remembrancer, so that there is no separate officer of that class in Madras. The Government pleaders are paid by fees according to work done, and the charges appear to be from R30,000 to R40,000 a year.

110. The Coroner's appointment the Madras Government consider unnecessary. In a considerable portion of the area of the town the same law obtains as in the Mofussil, and enquiries of the nature of Coroner's inquests are made by the officers of Police. The Madras

(a) Vide Volume II, Chapter XIII, Section B.

(b) Vide Volume II Chapter V, Section B.

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Law and Justice, Courts.

Government are prepared to extend the system to the whole town; and the Coroner, with his establishment, will then cease to exist. Until the Legislature sanctions this change, we do not take into account for the purposes of the Contract the amount, R8,680, which will be saved.

111. The Justices of the Peace—that is, the Presidency Magistrates—are organised on what seems to us an unnecessarily expensive scale. They are four in number, the number being fixed partly with a view to the selection of one Magistrate out of each of the four leading classes of the community; and the salaries they draw are R1,200, R1,000, R800, and R800. This establishment is very high compared with that of the other Presidency towns; and much of the work is necessarily of the pettiest kind. It is necessary to provide one highly-paid Magistrate who can take up important or difficult cases, but we consider that, after providing one Magistrate on R1,200, two Deputies, on an average salary of R300, are sufficient provision for the requirements of the town. We consider, therefore, that an economy estimated at R24,000 might be effected under this head. The Madras Government informs us that it is prepared to make considerable economies under this head, but it wishes to retain a somewhat more expensive establishment, including a Second Magistrate at R800.

112. The Government of Madras give a strong opinion against the employment of Honorary Magistrates in Madras for the petty class of cases which often come up in Presidency towns. We think that they have been found more successful than the Government of Madras appear to consider, and that their employment—by way of experiment at least—might be urged upon the Government.

113. The expenditure on Small Cause Courts is solely in the Presidency town, as there are no special Small Cause Courts elsewhere. From the statistics given us, we find that there are about 26,000 suits annually, which give an average of 6,500 to each of the four Judges; and as the revenue much more than covers the expenditure, we are not disposed to diminish the facilities given to suitors by proposing any reductions. The establishment of clerks and other subordinates compares favourably with those of the other Presidency towns.

114. The figures under the head of Civil and Sessions Courts show very little increase of expenditure during the five years. They are—

	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.
Copyists . . . . .	...	74	98	1,09	1,13
Other charges	21,49	21,24	21,28	21,24	21,57
TOTAL	21,49	21,98	22,26	22,33	22,70

The figures have been stated in this form so as to show that the only increase occurs by reason of the organisation of copyists' establishments which, it should be noted, more than pay for themselves. The only economy possible under this head is one that was recently considered, namely, the abolition of the Kurnool District

The Future Provincial Contract with Madras.

Law and Justice, Jails.

Court; but this was pronounced inadvisable, as it would remove the principal Civil Court too far from the residents of the district, and also because the law does not provide for a single district being under the jurisdiction of more than one Court. We have compared the statistics of work of the subordinate Courts with those of other Provinces, and find no reason to think the number capable of reduction.

115. The expenditure under the head of Criminal Courts shows a slight increase, due to the same causes as are assigned under the head of Land Revenue. The figures of recent years have been 1883-84, 9,11; 1884-85, 9,25; 1885-86, 9,09; and Budget for 1886-87, 9,26. The explanation given under Land Revenue applies here also, *viz.*, that the low figure of 1885-86, as compared with 1884-85, is due to a fluctuation in the charges for salaries, and we are not unlikely to find the charge of 1886-87 considerably higher.

116. Three officers only are classed as Cantonment Magistrates, and of these two are military officers who get a small allowance for civil duties, namely, R125 at Saint Thomas' Mount and R70 at Poonamallee. The remaining one (a full-time officer on R700) is the Cantonment Magistrate at Cannanore, where one European and two Native Regiments are stationed and where no other European Magistrate is permanently located. At Jubbulpore, the Superintendent of the Central Jail receives a small additional remuneration and discharges the duties of Cantonment Magistrate in addition to his proper work. We suggest that a similar arrangement be tried at Cannanore. If carried out, it should cause a saving of R5,000 or R6,000 per annum.

117. The charges for Pleaders' Examinations are almost entirely a distribution among the Examiners of part of the fees charged to the Examinees. They, on the whole, fall below the receipts on the same account.

118. *Receipts.*—The receipts of the five years of the Contract have been 4,28; 3,67; 4,13; 3,70; and (Budget) 4,01. The 4,13 of 1884-85 included some exceptional arrear receipts, and the figures, taking this into account, show the same decline as we find in other Provinces, due chiefly to prosperous seasons and diminishing crime. It would seem a little doubtful if the Budget Estimate is not placed too high, but the figure, 4,01, may stand until the Revised Estimate.

LAW AND JUSTICE, JAILS.

119. *Expenditure.*—The total annual expenditure on Jails and the average daily number of prisoners have been as under since 1882-83:—

Year.	Average daily number of prisoners.	Expenditure.
1882-83	8,391	9,03.9
1883-84	7,380	7,89.3
1884-85	6,859	8,02.2
1885-86	7,919	7,98.6
1886-87 (Budget)	6,910	9,17.0

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Law and Justice, Jails.

Variations in expenditure from 1884-85.

120. The following table exhibits the principal variations in the expenditure since 1884-85 inclusive :—

Items.	1884-85.	1885-86.	1886-87 (Budget).
1. Presidency Jails—			
Clerks, Servants, and Warders	11·4	11·5	13·9
2. Central Jails—			
(i) Superintendents	54·9	54·0	59·0
(ii) Establishment	43·5	60·7	75·1
(iii) Miscellaneous	11·1	(a)17·0	18·4
3. District Jails—			
(i) Allowances to Superintendents	4·0	9·5	13·4
(ii) Establishment	60·2	56·9	1,10·7
(iii) Miscellaneous	13·6	(a)16·0	27·4
4. Raw materials, &c., for manufactures	1,86·0	1,32·8	1,74·6

Increased expenditure explained.

121. The increase of expenditure is chiefly in 1886-87 as compared with 1884-85. It is explained as follows.—

The increase under Superintendents is due (1) to certain Superintendents of Central Jails having become entitled to periodical increments of salaries, and to the grant by the Secretary of State of personal allowances to two of them; and (2) to separate officers, who have no other duties to attend to, having been appointed to two of the new cellular jails, in lieu of the Civil Surgeons who were formerly in charge of them.

District Jails, Superintendents.

Establishments and Miscellaneous.

The increases under the heads of Establishments and Miscellaneous are as under :—

	1884-85.	1886-87.	Increase.
Establishments	1,15·1	1,99·7	84·6
Miscellaneous	24·7	45·8	21·1
TOTAL	1,39·8	2,45·5	1,05·7

122. The reason of the increased expenditure under the last two heads is that the Madras Government have determined to change the system under which the convicts are guarded, and to replace the Police now employed on that duty by departmental guards. The introduction of the new system began early in 1885, and it is being gradually extended. The Budget of 1886-87 provides for the completion of the altered arrangements. We obtained from the Inspector-General of Jails an estimate of the total increase of cost, additional to that incurred in 1884-85, which will be involved. It will, it appears, stand as under :—

	R
Establishments	57,057
Clothing, accoutrements, &c. (under Miscellaneous)	27,075
TOTAL	84,132

(a) Approximate.

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Law and Justice, Jails.

123. The additional provision made under establishment amounts, however, to 84.6 or 27.5 in excess of the probable actuals. It is explained that, at the time the Budget of 1886-87 was prepared, a more expensive scheme of departmental guarding was proposed than that which has since received the approval of Government. The estimate is therefore in excess of requirements by 27.5.

Cost of establishment over-estimated.

124. The total estimated cost of clothing is 27.1, or 6 more than the additional sum which has been provided. The apparent short provision is due to the transfer of certain expenditure from Miscellaneous, under which head it has hitherto been shown, to Supplies and Services, to which head it is considered more correctly to belong. A considerable part of the expenditure on accoutrements should not recur, and, as the Police estimate of the cost of clothing, &c., is Rs12 per man per annum, the future cost of the clothing and equipment of the Jail guards, 1,400 strong, should not exceed Rs20,000 per annum at the outside.

Clothing and accoutrements.

125. Roughly speaking, therefore, the additional cost, as compared with 1884-85, of the guarding expenditure debited to Jails, will be about Rs77,000 per annum for the future. On the other hand, the saving under Police is estimated at Rs9,200 per annum as compared with the current year's Budget, and we have therefore deducted that sum from the provision under Police in the future Contract.

Saving under Police.

126. Some economy has recently been effected by the closing of some of the smaller District Jails. Those at Chingleput and Tellicherry were abolished in June 1885, and the prisoners were transferred to the Penitentiary in Madras, and to the Calicut Jail, respectively. No provision is made for either of these in the current year's Budget. Orders have also recently issued for the abolition of the Chittoor Jail and for the transfer of the convicts to Vellore; and the amalgamation of the District with the Central Jails at Rajahmundry and Trichinopoly is now under consideration.

Certain District Jails abolished.

127. The closing of the Chittoor Jail will cause an annual saving of about Rs3,600. The proposed amalgamation of the Rajahmundry and Trichinopoly District and Central Jails should lead to a saving of about Rs8,000 per annum. The Inspector-General has under consideration a scheme for dispensing with the protective Police guard maintained in certain cases in addition to the departmental guard, which, he hopes, will produce a further economy of about Rs6,000 per annum. The total saving thus expected to be realised may be taken at Rs18,000 per annum.

Resulting savings.

128. In framing the future Provincial Contract, we have not taken into account either this sum or the decreased cost in future years of providing the guards with clothing and accoutrements (see paragraph 124), as it is necessary to allow a margin under Jails to meet the contingency of an increase either in the number of convicts or in the cost of rations in the event of a bad agricultural season.

A margin allowed in framing the Contract.

129. The Government have had under consideration the possibility of closing one of the Central Jails, and have decided against it. Arrangements have recently been concluded whereby 472 Burmese long-sentenced convicts are to be sent over to Madras in eight monthly batches of 59 each, to serve out their terms. This ac-

Transfer of Burmese convicts to Madras.

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Law and Justice, Jails.

cession of strength, coupled with the transfer of convicts from abolished District Jails to Central Jails, will render it impossible to elose any of the latter. Special arrangements will have to be made for the adjustment of the extra cost involved in keeping these prisoners. As the arrangements may be only temporary, it appears inadvisable to include them in the Contract.

130. The cost of the maintenance of the convicts in the Madras jails is high as compared with other Provinces and especially with the North-Western Provinces. The average figures for the four years 1881 to 1884 are shown in the margin. Our enquiries on the spot into the cause of this excess have led to little or no result. The system of supply is by contract. The direct purchase of provisions, &c., in the open market, has also been tried, but with little, if any, effect. The existing dietary scale, to the cost and apparent luxuriousness of which we took exception, was prepared in 1866 by Dr. Cornish, afterwards Surgeon-General with the Government of Madras, and was introduced into most jails in 1867-68. In 1869, on the recommendation of a Committee, the allowance of grain was reduced by one-fifth in the case of non-labouring male prisoners, who had previously received the same ration as labouring prisoners, and a proportion of "dry" grain (*i.e.*, millet or pulse) was introduced into those jails in which rice alone had previously been issued to the prisoners. Since then, the dietary scale appears to have remained unaltered.

131. The death-rate in the Madras jails was very heavy during the years immediately preceeding the introduction of the new dietary scale, and has since very greatly improved. We are aware of the great objections, on the score of the health of the prisoners, to decreasing their diet. But it appears to us possible that the decrease in recent years in the death-rate in the Madras jails may as much be due to the provision of better and more spacious quarters and to improved sanitary arrangements, as to the alteration of the dietary scale. We would therefore suggest the advisability of a fresh enquiry into the subject, in view, if possible, to a diminution of the present great cost of rationing the prisoners.

132. Subject to the arrangement as to the new Burmese convicts suggested in paragraph 129, we deduct 27 (see paragraph 123) from the Budget of 1886-87, and take the jail expenditure under the new Contract at 8,90.

133. Receipts.—The figures relating to jail manufactures and convict labour are as under :—

	1882-83.	1883-84.	1884-85.	1885-86, Revised.	1886-87, Budget.
Receipts	3,22	2,14	2,03	1,79	1,93
Expenditure	2,46	1,79	1,86	1,60	1,75
Net ..	76	35	17	19	18

134. The small profits of late years are explained to be due to the orders of the Government of India, since modified, restricting jail manufactures. It is feared that it will take some years to get the factories into good working order. We have taken the Budget figure (1,93) as that of the future Contract.

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Police.

POLICE.

135. *Expenditure*.—The cost of the Police has varied little during the Contract, and has stood at 37,52 ; 37,84 ; 38,23 ; 37,80 ; Budget of 1886-87, 38,22. The details of the current year's figures in the printed Budget are—

Sub-heads of expenditure.

1. Presidency or City Police	1,56
2. Superintendence (including that of Presidency Police)	2,02
3. District Executive Force	33,16
4. Village Police	6
5. Cattle Pounds	1,40
6. Contributions and refunds	2
TOTAL	38,22

136. The City Police are under a Commissioner on R1,500, a Deputy Commissioner on R750, and an Assistant Commissioner on R400. The Commissioner's office consists of eight clerks and 55 servants, and costs about R800 a month. These items are shown in the accounts under Superintendence, and must be transferred to the head of Presidency Police if the true cost of the City Police, which comes to about 2,21, is to be seen. The force consists of 12 Inspectors, 24 European Sergeants, 8 Sub-Inspectors, 100 Head Constables, 741 Constables, and 4 Sowars; the Sergeants and Inspectors are mounted at Government expense. The force is divided into seven Divisions, a Reserve, a Division of Beach Police, towards which the Port Trust contribute a half, and some Boat Police for the Harbour, towards which also they ought to contribute a half or 1·7. The Bombay City Police is much stronger, consisting of 28 Superintendents and Inspectors, 16 European Sergeants, 93 Head Constables, and 1,200 Constables, besides 33 mounted police and 235 men on the Dockyard and Harbour. It has to deal with a much larger population, and yet it is supervised by a Commissioner and a Deputy Commissioner, while in Madras the Commissioner has an Assistant as well as a Deputy under him. We have suggested elsewhere (paragraph 305) that the duties of Commissioner of Police and President of the Municipality should be combined under one officer as in Calcutta. If this is done, the post of Assistant Commissioner should be maintained, but otherwise we recommend that it should be abolished. The Commissioner of Police represents that much of his time is spent in correspondence and returns, which would not be necessary, if he were not subordinate to the Inspector-General of Police; and we observe that in Bombay and Calcutta the Head of the City Police is not so subordinate. If he were made independent and placed directly under the Government, he would apparently be better able to spare the Assistant Commissioner.

137. The Municipality contributes nothing to the cost of the City Police. On this subject we have made some remarks elsewhere (paragraph 300), and we only note here that if no such contribution is made, it ought at least to abstain from taxing the Police which protects life and property within its limits. The taxation now imposed on Police buildings amounts to R667 per annum.

138. Deducting the portion transferred to City Police, the cost under the head of Superintendence amounts to 1,53·5. This provides for an Inspector-General on R2,500, a Personal Assistant on R900, three Deputy Inspectors-General on R1,200, 39 clerks and 24 servants,

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Police.

besides travelling allowance and miscellaneous charges. The Inspector-General's salary is the same as that in Bengal and the North-Western Provinces, and is higher than that drawn in any other Province. If at the next vacancy the post is filled by a Civilian, the pay will not be excessive, as such an officer would ordinarily be of the standing of a Collector and Magistrate. But if it is given to a military man, who is promoted from among the Deputy Inspectors-General who draw R1,200, we think that

Inspector-General.

a salary of R2,000 should be sufficient. The Personal Assistant's salary in Bengal and in the North-Western Provinces is R600, and in Bombay there is no such officer. We think that R600 would ordinarily be a suitable remuneration for this duty, and we provide a post among the District Superintendents of Police in this grade, as it may be more convenient not to lay down any specific salary for the Personal Assistant, but to allow him to be selected from among the District Superintendents

Assistant Inspector-General.

of Police of any grade in Madras. We question the necessity of the retention of three Deputy Inspectors-General of Police. One of these officers is in charge of five districts and two of eight districts each, and they have no special charge except that of inspection. They are required to visit each of their districts annually and to inspect every "kasba" station, *i.e.*, every post at which an Inspector is located,—a work which on an average is said to occupy them for about six months of the year. They also receive weekly reports from each District Superintendent and Assistant Superintendent, which reach them through the Magistrate; they pass no orders on these, but write marginal remarks which go on to the Inspector-General, who returns the reports with his orders through the same channel. Their head-quarters are at Coimbatore (Southern Division), Madras (Central), and Waltair (Northern Division). The Report for 1885 records 23 out of 42 offices and 175 out of 1,772 stations, as visited by them during the year. The Inspector-General himself visits the head offices of District and Assistant Superintendents as far as he can, but rarely inspects police stations. The report for 1885 does not record the amount of work of this kind done by the late Inspector-General, who was in office for eleven months of the year, but a return received from the Accountant-General shows that he spent from January to the middle of April in the Ganjam, Vizagapatam, and Godavari districts, and did not travel any more till the end of November.

Deputy Inspectors-General.

139. We think that the work, as thus described, is not such as to justify the retention of three Deputy Inspectors-General. The Punjab is the only Province which has so large a number of these officers, and the arguments used by us with respect to the Punjab, (a) where we propose to reduce the number by one, apply equally to the present case. We recommend that one of the three should be reduced, and that the Inspector-General should take a certain number of districts and inspect them himself, dividing the rest between the Deputy Inspectors-General. Each Deputy Inspector-General has an Inspector attached to him, so that one Inspector should be retrenched from the list; he may be estimated at an average salary of R100. We learn that the Government of Madras approves this proposal.

Three Deputy Inspectors-General not needed.

140. There are twenty-two District Superintendents of Police, two at R1,000, seven at R800, thirteen at R700; but there are only 20 districts (the Nilgiris being treated as part of Coimbatore). One District Superintendent of Police is posted at Jeypore, a sub-

District Superintendents.

(a) *Vide* paragraphs 80 and 81 of Chapter III of this Volume.

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division of Vizagapatam, and one at Bangalore. The latter, though shown in the Madras Civil List, is not under the orders of the Madras Government at all.

141. There are twenty Assistants, all at R500 (except one in Ganjam on R600), who are posted in fifteen districts, three in Vizagapatam (one of whom is in Jeypore), three in Malabar, two in Ganjam, one in each of the remaining larger districts, twelve in number; each having a portion of the district under him, and a separate head-quarters from that of the District Superintendent of Police. Under a recent sanction of the Government of India, these officers are in future to draw R350 rising in five years to R500, and it is intended to create a new appointment out of the savings and to post an Assistant to the Nilgiris.

142. We think that one Assistant is sufficient for Jeypore; that is to say, Vizagapatam, which has a Collector and four Assistants for general civil work, should be considered strongly manned, if it has a District Superintendent of Police and three Assistants; and two Assistants should be sufficient for Malabar. The officer now at Bangalore should be transferred to the Imperial Political Department. There would thus be twenty District Superintendents of Police and one Personal Assistant to provide for, total twenty-one, and twenty Assistants, including the new appointment on the Nilgiris.

143. The table below shows that the rates of pay in Madras are higher than those in any other Province, and we think it necessary to suggest a revision of the grades:—

Comparative table of the Rates of Pay of District Police Officers in certain Provinces.

	Madras.	Bombay.	Bengal.	North-Western Provinces	Punjab	Central Provinces.	Proposed new grading for Madras.
	R	R	R	R	R	R	R
District 1st grade .	2 @ 1,000	3 @ 1,000	7 @ 1,000	4 @ 800	4 @ 1,000	2 @ 1,000	2 @ 1,000
2nd do. .	7 @ 800	5 @ 800	7 @ 800	10 @ 700	6 @ 800	2 @ 800	4 @ 800
Supts. of 3rd do. .	12 @ 700	7 @ 700	12 @ 700	10 @ 600	11 @ 600	3 @ 700	6 @ 650
Police. 4th do. .	...	4 @ 600	11 @ 600	10 @ 500	12 @ 500	5 @ 600	9 @ 500
5th do. .	...	6 @ 500	13 @ 500	12 @ 400	...	6 @ 500	...
Average pay .	21 @ 762	25 @ 692	50 @ 682	46 @ 565	33 @ 618	18 @ 650	21 @ 618
Assistants . . .	1 @ 600	2 @ 500	16 @ 400	4 @ 300	4 @ 450	2 @ 300	5 @ 400
	19 @ 500	3 @ 400	15 @ 300	4 @ 250	6 @ 350	9 @ 250	6 @ 300
	...	...	5 @ 250	...	8 @ 250	...	9 @ 250
Average pay .	20 @ 501	5 @ 440	36 @ 337	8 @ 275	18 @ 328	11 @ 259	20 @ 302

N.B.—The scale here shown for the North-Western Provinces is not that actually in force, but is the sanctioned scale which is being gradually introduced.

144. The average pay shown in the last column of this statement corresponds fairly with the average rate in other Provinces. Saving by re-grading The saving by such a re-grading would be R76,700. The reduction, if approved, would be carried out gradually as vacancies occur. We therefore make no retrenchment on account of it in the Provincial Contract, pending information whether it is approved and how soon it can be carried out.

145. The Assistants are recruited from a body of "Gentlemen Inspectors," fourteen in number, at R100, R150, and R200, who are promoted whenever there is a permanent or officiating vacancy. The number seems a little larger than is necessary to supply the

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ordinary vacancies at twenty per cent. on the whole number, and to keep one or two recruits in training, and we think it might be reduced to twelve. We do not propose to alter the pay, but we suggest that they should be classed as "Probationers" (as in Bombay), and not as Inspectors, that title being held by men who actually do the work of Inspectors, and the highest grades in the class being given as rewards to the most meritorious officers in the force.

146. The District force is composed and distributed as follows: There are 411 Inspectors at varying rates, R200, 150, 100, 75, 50 and 40; 52 European head constables drawing from R55 to 30; 2,625 head constables in four grades, on R25, 20, 15 and 12; 18,052 constables in grades of R8, 7 and 6½. The total force amounts to about 21,300. Of these, 15,752 are employed at about 1,790 stations and outposts, 328 being head stations, but none of them being outposts in the sense in which the word is used elsewhere; *i.e.*, in the sense of keeping no diaries and of merely reporting to the head station. They all are small police posts with diaries and registers of crime and the power of investigating into reported offences, even though 196 of them are occupied by no higher officer than a constable. We think that the Madras Government might be invited to look into this matter and to consider whether its system might not advantageously be brought into conformity with that of other Provinces. Some slight economy would be produced in the cost of stationery, but the main advantage would consist in the diminished necessity for inspection of registers and diaries, and in giving the people a higher class of Police officers to investigate their complaints.

147. We note further the following point: The Madras Police below the rank of Inspector and Sub-Inspector pay nothing towards their clothing, which is estimated to cost R8 per constable and R9 per head constable, whereas in all other Provinces a deduction is made for this purpose, rising as high as nine annas per man per mensem in Bombay from the pay of constables, while all officers above that grade are expected to pay the whole cost of their clothing. We suggest that this system be introduced, at least in respect of head constables, and the higher grades of constables. The clothing of 2,625 head constables at nine rupees costs R23,625 a year, and constables of the first and second grade, if they paid four annas a head per mensem, would contribute R43,335. Against this must be set the fact that they now pay a small rate as hutting rent which amounts to R22,000 a year—a sum which does not cover the repairs of their huts. We suggest that this charge be abandoned and the clothing deductions substituted, making a contribution to Government of about R45,000. If this be thought impossible, we recommend that the head constables at least be required to pay for their own clothing. This would cause a saving of R23,000. As, however, it is represented to us that, if this deduction is enforced in the case of existing incumbents, it would cause discontent and hardship, we make no deduction on this account in framing the Contract; but we think the Madras Government may be able to apply the principle in the case of future appointments.

148. Police officers, who are supplied with elephants in the districts of Ganjam, Vizagapatam, and Godáviri, suffer no deduction in their travelling allowance. The same rule, which has been adopted in respect of civil officers, should be applied to them, and a deduction of eight annas a day made when they use Government elephants.

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149. A very large amount is charged for Police Hospitals, *viz.*, R38,168, in the present Budget, and R32,328 in 1884-85. Where there is a separate ward for the Police in ordinary hospitals, Government pays one-fourth of the cost, but that contribution is shown as a grant under Medical and is not charged against the Police. There are, however, twenty-five special Police Hospitals, three in Ganjam, five in Vizagapatam, two in Godavari, and one in each of fifteen other districts, manned by three apothecaries and twenty-three hospital assistants. We think that some reduction might be effected in the number of these hospitals, and efforts should certainly be made to provide as far as possible for the treatment of the police by the ordinary medical staff of the districts.

150. A considerable transfer of expenditure is taking place by the substitution of jail warders for police, the total increase of cost to the jails being estimated at 1,06 (*vide* paragraphs 121 to 125). We find, from figures supplied by the Inspector-General, that the decrease in the cost of the Police on this account will be 89.

151. The Budget provides for the Punitive Police maintained in the Malabar district. We have not been informed of the exact expenditure to be incurred on this account, but as a contribution of R28,400 is taken credit for under Receipts (*vide* paragraph 154), we assume that that is the cost which will be saved, when the Punitive Police is withdrawn. As the collection of the contribution has been discontinued, it is apparently intended soon to abolish the Punitive Police; and we therefore deduct 28 on this account in framing the new Contract.

Estimate for the future.

152. We take the Police expenditure at the Budget figure 38,22, and deduct from it as follows:—

Decrease on account of jail warders	89
One Deputy Inspector-General and one Inspector and travelling allowance	17
Assistant Commissioner in City	5
Malabar Punitive Police to be withdrawn	28
	<hr/>
Net Reduction	1,39

We fix the Contract figure at 36,83.

153. *Receipts.*—The receipts are as follow:—

	Estimate, 1886-87.
	R
(1) Police supplied to Railways	500
(2) Do. do. to Municipalities, &c.	28,400
(3) Do. do. to Public Departments	33,500
(4) Pound Fines	2,45,100
(5) Superannuations	2,000
(6) Miscellaneous	20,500
	<hr/>
TOTAL	3,30,000

154. Item (2) is really on account of Punitive Police in the Malabar district. Its collection has been discontinued, and the figure must be omitted from the estimate for the future. In 1881-82 Mofussil Municipalities contributed 60 per cent. of their Police charges (1,44), and the Madras Municipality were held liable to contribute 40 per cent. or 81,5, though the amount was not collected. These contributions were

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- Marine. Education.

remitted by a Government Order of 9th June 1882, and in lieu of it education charges were imposed in the Mofussil which, according to the answer to one of our questions, were estimated at R70,000. The Madras Municipality pays nothing towards Government educational expenditure, but contributes a sum of R20,000 on account of Hospitals and Dispensaries in the city. We take the figure of future receipts at 3,02.

MARINE.

155. *Expenditure.*—The figures from 1882-83 are 9, 11, 27 and 20. The Budget of 1886-87 gives 39 the increase being due to the provision of 20 for a special marine subsidy which is not now considered necessary. The figure of 1884-85 (27) includes a sum of 11·7 written back on account of certain Port Fund debits of previous years.

156. The expenditure falls under two heads—Pilotage at Cochin and in the Pamban channel, which is covered by receipts; and Pilotage and other charges. the salary and establishment of the Second Assistant Master Attendant, who is employed on landing and shipping Government consignments. A special reference has been made to us on this latter question by the Government of India, pending a decision on which we repeat the Budget figure, less 20 for the subsidy above mentioned.

157. *Receipts.*—The Budget figure has been taken.

EDUCATION.

Statistics of past years.

158. *Expenditure.*—This has been as follows:—

Items.	1884-85.	1885-86.	1886-87, Budget.	Committee's proposals.
1. Direction and Inspection . . .	3,03	3,17	3,13	2,43
2. Government Colleges, General . . .	2,16	2,00	1,97	1,87
3. " " Special . . .	36	24	23	23
4. Government Schools, General . . .	1,35	1,12	73	73
5. " " Special . . .	1,05	1,60	1,46	1,46
6. Grants-in-aid	3,77	4,29	3,33	3,33
7. Scholarships	20	12	20	20
8. Miscellaneous	45	38	41	41
. TOTAL	12,37	12,92	11,46	10,66

159. The figure of 1881-82, on which the Contract was based, was 10,38,(a) so that there has been a considerable expansion during Increase since 1882. the five years, which has been contracted in the current year to an excess of about a lakh over the initial figure. There is, however, a further increase of expenditure on education under the head of Contributions to Local Funds.

160. The cost of Direction and Inspection is very large, being 24 per cent. of the whole expenditure, and though this is mainly Direction and Inspection. due to the transfer of schools to the Local and Municipal Boards, some efforts might be made to curtail it. There are eight Inspectors

(a) After deducting 4 for the Ordnance Artificers' School transferred to Military charges.

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(besides one Inspectress), of whom only one is a Native, on two-thirds of the graded salary : one of the Inspectors is also employed in Coorg, and the Madras Government pays only one-third of his salary. If the principle is accepted that the Inspectors' attention should be mainly confined to Colleges and High Schools, we think the number might be diminished, and after examining the

Suggested reductions in the number of Inspectors.

Circles over which these officers are distributed, we recommend that the number be reduced to five, advantage

being taken of the next three retirements to reduce the total. The Government have not, however, agreed to this proposal. All vacancies, after the number has been reduced to five, should, we think, be filled up by Natives on the two-thirds scale of salary, except so far as the Government may think it necessary for special reasons to retain one or two European officers in these posts. The

	₹		₹
(a) 2 @	250.	12 @	125.
3 @	200.	29 @	100.
5 @	175.	10 @	75.
10 @	150.		

number of Deputy Inspectors is 71 (having increased from 65 in 1883), and they are more highly paid (a) than is usual for this class. Elsewhere the work is generally done by one Deputy Inspector for a district,

with a sufficient number of Sub-Deputies on from thirty to fifty rupees. Allowing that the large size of the Madras districts requires the appointment of more than one Deputy Inspector to a district, it might still be possible to introduce a cheaper class of Sub-Deputies. But whether this

Local Funds to contribute to the cost of Deputy Inspectors.

suggestion can be adopted or not, it seems clear that, as the Deputy Inspectors are almost entirely engaged in inspecting Local Board Schools, a part at least of their

salaries should be defrayed from Local Funds. The Government of Madras have informed us that they agree that half the cost should be transferred to Local Boards.

161. There are nine Government Colleges, of which three (Presidency, Government Colleges, General. Kumbakonam, and Rajahmundry) are first class, the rest second class having only a Head and one Assistant Master each. We think the number of these Government Colleges might be considerably decreased, considering that there are seventeen Local Board and Municipal Colleges besides several aided ones, and that higher education has taken root, so that it is hardly in need of direct Government support. In this view the Government agree; they have already ordered the abolition of the Cuddalore College, and agree to treating Calicut in the same way, reducing them both to be High Schools; and they propose to proceed further in the same direction, as they find it to be safe. We take off 10 on this account.

162. There are nine High Schools, one Middle Class School and 52 Boys' Government Schools, General. and 57 Girls' Primary Schools. The latter are all located in the Hill or Agency Tracts of Vizagapatam and Ganjam, where Local Boards do not exist. Elsewhere the Government has fully carried out the principle of handing over lower education to the Local Boards. In the High Schools, the average cost per pupil is sixty rupees, of which they pay thirty rupees in fees. The number of these schools has already been diminished, and there are now seventeen High Schools under Municipalities and Local Boards, and 75 aided. We have no remark to make on this subject except to observe that Madras appears to be carrying out the principle that Government should gradually retire from higher education as fast as local bodies are found able to take over charge of it, and that, in pursuance of this principle, they will probably find it possible before long still further to reduce the number of Government High Schools.

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163. The Technical Colleges and Schools are a Law College (a branch of the Presidency College), an Engineering College and School, five Training Schools (three for masters and two for mistresses), the Schools of Arts and of Agriculture at Madras, the Madrasa-i-Azam (a Mahomedan School in Madras), and a small Carpentering Class at Rajahmundry. The first pays its way completely by fees. In the Engineering College, each pupil costs ₹452 and pays ₹228 in fees, which is a large contribution; the School of Arts costs ₹237 per pupil, of which Government pays ₹125, the rest being met by fees and by the sale of pottery. The pupils in the School of Agriculture pay nothing, but the Government inform us that, as soon as the desire for education of this class has taken root, they intend to charge fees. The Madrasa-i-Azam ought to be paid for by the Municipality, but on this subject see the remarks in a separate section (paragraphs 295 *et seq.*). We propose no reduction in this grant, being satisfied that the Government is doing all that it can to make technical education self-supporting.

164. Salary Grants are given to Colleges and High Schools; Results Grants to other schools. The total amount increased rapidly up to 1885-86, but has been largely cut down in the Estimates for 1886-87, the decrease being intended to take place, we are told, mainly under the head of Salary Grants for higher education. The number of pupils in the aided institutions is 280,000, and the present figure does not appear excessive. The following details, supplied by the Director, do not agree closely with the Finance Accounts (chiefly because sums are shown here which are debited in the Accounts as Contributions), but may be quoted to show the nature of the distribution of the grant:—

	1882-83.	1883-84.	1884-85	1885-86.
Salary Grants	1,58	1,66	1,72	1,97
Furniture Grants	3	3	8	8
Scholarships	7	8	12	11
Building Grants	10	4	19	33
Results Grants, Aided Schools	1,40	1,37	1,55	1,61
" " Local and Municipal Schools	19	29	43	49
" " Free Schools	2	2	2	2
Special for European Schools . . . . .	..	...	...	14
TOTAL	3,39	3,49	4,11	4,75

165. The last item is for the board and schooling of poor or orphaned European children. The Budget figure has been reduced in 1886-87 by nearly a lakh and a half, and we do not recommend any further reduction.

166. Scholarships have increased more than is shown in item 7 of paragraph 158, since 10 has been transferred to Training Schools. The total is not too large, but of the 20 shown against 1886-87, 13.6 are for scholarships to special schools and colleges, and we think the amount should not be allowed to increase.

167. The main item of miscellaneous expenditure is 30 for printing books, chiefly vernacular school-books, which are sold by the Book Branch at a profit, the estimated receipts being 43. The rest is for the collection of Oriental manuscripts, honoraria, and the Registration work under Act XX of 1847. We make no alteration here.

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168. The result is to take off 70 for the Local Boards' share in Deputy Inspectors (this is less than half the cost, but some Local Boards are poor) and 10 for the two Colleges; and we fix the Education grant at 10,66.

169. *Receipts*.—The amount has been falling off, through the transfer of Government schools to Municipal and Local. The figures have been—

1884-85	.	.	.	.	.	2,11
1885-86	.	.	.	.	.	1,77 (against a Revised Estimate of 1,94).
1886-87 (Estimate)	.	.	.	.	.	1,83

The fees in Colleges were raised in February 1886, but the increase was appealed against and has not yet been put in force. If carried out, it will slightly raise the revenue, but not much. The scale of fees appears generally to be fairly high, as compared with other Provinces, especially in the case of the Law Classes, which pay the whole of their expenses. We propose to fix the figure for the future not quite as high as the Estimate for 1886-87, *viz.*, at 1,80.

MEDICAL.

Statistics of past years.

170. The following are the details of expenditure and receipts under this head :—

	1884-85.	1885-86	Budget, 1886-87.	Committee's Estimate.
EXPENDITURE.				
Establishment	5,07	4,94	5,13	5,13
Hospitals	3,21	4,02	4,14	4,14
Medical College	94	92	86	59
Sanitary Commissioner	61	62	61	61
Vaccination	7	6	7	7
Grants	16	17	27	17
Lunatic Asylums	80	84	86	80
Lock Hospitals	10	11	13	13
Chemical Examiner	17	17	17	17
Refunds	6	...	3	3
TOTAL .	11,19	11,85	12,27	11,84
RECEIPTS.				
College fees	14	16	14	14
Hospital receipts	8	9	9	9
Lunatic Asylum receipts	22	25	22	22
Contributions	41	60	72	72
Miscellaneous	3	2	3	3
TOTAL .	88	1,12	1,20	1,20

Establishment.

171. *Expenditure*.—The following officers are charged under the head of Establishment :—

- (1) Surgeon-General and his Secretary.
- (2) Four District Surgeons and a Fort Surgeon in Madras.

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- (3) Governor's Surgeon.
- (4) Twenty-nine Civil Surgeons.
- (5) Two "Honorary Surgeons," or, more correctly, an Apothecary at Chatrapur and a Native Surgeon at Cuddapah.
- (6) Twenty-one Assistants to District Surgeons: these are Apothecaries or Hospital Assistants.
- (7) Eight Apothecaries and six Hospital Assistants.

172. As regards the first of these, we have made the recommendation in other Provinces, and we consider it applicable to Madras also, that the Surgeon-General should undertake the Sanitary Commissioner's work in addition to his own.

Surgeon-General to discharge the duties of Sanitary Commissioner also.

Nature of Sanitary Commissioner's work.

173. The work of the Sanitary Commissioner may be divided under three heads:—

- (a) He receives and deals with the Mortuary Returns of the province. The personal work connected with this is evidently small. It is mostly clerical work, the direction of which involves no great labour.
- (b) He superintends Vaccination, but here there is also an elaborate system of district supervision, and there is a highly-paid separate Inspector of Vaccination (Deputy Sanitary Commissioner); and the returns and general direction may without difficulty be added to the duties of the Surgeon-General.
- (c) He undertakes the sanitary inspection of towns and districts. He and his Deputy are supposed to inspect every year the 54 Municipalities, and to make recommendations for their improvement. They have hitherto proceeded on the system of giving them, at each visit, some small task, in the way of sanitary improvement.

174. In giving their opinions against the possibility of amalgamation, the Surgeon-General and the Sanitary Commissioner both refer to the necessity incumbent upon each of them of making tours for the purpose of inspection and of local conference. But this argument loses weight, when it is considered that the inspections of these two officers, if made at all, must to a large extent be made in the same places. Ninety days' touring of the amalgamated officer will effect nearly as much local inspection and conference, as ninety days of each of the two officers travelling separately. It seems clear therefore that the inspectorial duties of the officers in question need not in any degree suffer by the offices being amalgamated. It must be remembered also, with reference to this part of the work, that there is a Deputy Sanitary Commissioner to aid in it; and that the Civil Surgeons are allowed Assistants (see No. (6) of above list) for the express purpose of enabling them to undertake sanitary duties and to proceed without difficulty into the interior of their districts.

175. We see no reason therefore against expecting the Surgeon-General, with the aid of the Deputy Sanitary Commissioner, to supervise and direct the work of sanitation, as well as that which now falls upon him; and to do all the local inspection necessary for this duty.

176. But for this recommendation, we should have questioned the necessity of having for the Surgeon-General's work two officers of medical qualifications—the Surgeon-General

Secretary to the Surgeon-General.

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and his Secretary. It seems to us that that part of the work, which is too technical to be disposed of by an Office Superintendent, can hardly be sufficient to require two officers for its management and supervision, especially as the Surgeon-General, recently at least, has never been absent on inspection duty. But if the Sanitary Commissionership be added to the duties of the Surgeon-General, it would not be advisable to reduce his working power by taking away the assistance of the Secretary.

177. Another suggestion is that the Sanitary Commissionership might be amalgamated with the appointment of Inspector-General of Jails. In this case a reduction would be feasible both of the Sanitary Commissioner and of the Secretary to the Surgeon-General.

Alternative suggestion for the abolition of the Sanitary Commissioner.

Medical Officers in Madras City.

178. The Surgeons in Madras city will be dealt with under "Hospitals and Dispensaries."

179. The list of stations to which Civil Surgeons are authorised to be posted contains the following which are not district stations:—
Civil Surgeons in the Mofussil. Negapatam, Rajahmundry, Cochin, Chieacole, Berhampore, Guntoor, Chingleput, Vellore, Cannanore, and Tellicherry. It is not usual in other provinces to appoint Civil Surgeons to more than one station within a district, and although there may be special reasons in one or two of the above cases (for example, there are jails in one or two of the places), it seems to us that the large excess of the number of Civil Surgeons over the number of districts should be reduced. We also remark that there are two Civil Surgeons at Ootacamund. Though there may be full work for both, the work is more in the nature of private practice than of Government work, and we do not think that Government should be required to pay a second officer, on the ground that there is sufficient private practice for two Surgeons.

180. The orders prescribe that in eight of the stations to which Civil Surgeons may be attached, the officer may be an Uncovenanted medical men. Uncovenanted officer; but the Government of Madras have taken advantage of this provision in only two cases, so that in this respect also there is room for economy in the medical establishment.

181. It may not be possible to make an immediate permanent reduction in the number of commissioned medical officers, because while there are such officers on the staff of the Government, it is cheaper to employ them even in duties where lower-paid substitutes might be sufficient. But the object should be kept in view, and the service should be recruited in future with reference to a reduced number of appointments.

182. The eight apothecaries and six hospital assistants charged under the head of Establishments include the assistants to the four District Surgeons in Madras and the medical subordinates attached to the Assistant Agents in the Hill Tracts, to one or two hospitals, to the Lawrence Asylum, and to the Governor's establishment.

Subordinate establishments.

183. The expenditure under this head may be taken for present purposes at the Budget figure, but there will probably be savings on it, as allowance is made for expenditure which is not ordinarily fully incurred. There may also be some special savings in the current year owing to Madras having been called on to supply some medical officers for service in Burma.

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184. The amount shown under Hospitals and Dispensaries is for the most part expenditure upon the hospitals in Madras town. The following shows the names of the institutions provided for and the medical officers attached :—

Hospital.	Professors attached.	District Surgeons.	Apothecaries and Assistants.	Hospital Assistants.	Male Nurses and Matrons.
General	Five (a) . . . . .	...	2	1	17 + 35 (c)
Lying-in	Midwifery . . . . .	...	2	1	2
Ophthalmic	Ophthalmic . . . . .	...	2	...	...
Women's and Children's . . . . .	... . . . .	Second District	1	1	1
Leper Hospital . . . . .	... . . . .	...	2	...	...
Four Mofussil Hospitals (b) . . . . .	... . . . .	...	...	5	...
TOTAL	7 . . . . .	...	9	8	55

(a) Medicine, Surgery, Pathology, Hygiene, Pharmacy.

(b) Ootacamund, Coonoor, Bhadrachellam, Pallipore Lazaretto.

(c) The 35 are ward-attendants.

185. The first three of the above institutions are worked in connexion with the Medical College which, besides the above seven Professors, has two more, *viz.*—

	Subject.
The Fort Surgeon	Anatomy.
The Chemical Examiner	Chemistry

There are also some allowanees for minor Professorships.

186. With reference to the Medical Staff in Madras, composed of seven Professors, four District Surgeons, and the two officers last named, the following questions arise :—

- (1) Whether the Professorial staff can be reduced. This depends, as explained in our Note (a) on Bombay, upon conditions that are not within the control of the Government of Madras. But, besides this, the Local Bodies make very considerable contributions towards the expenditure on medical education, and this circumstance strengthens the claim in Madras to a high standard of education. These contributions amounted in 1884-85 to R11,125 from Municipalities and R26,662 from Local Funds.

There are 58 paying students giving a fee income of R7,845, ten female students paying R5 each, and two free students.

- (2) Whether the Madras Municipality should not contribute towards the large expenditure on Hospitals in Madras. This question has been discussed in a separate section of this Note (*vide* paragraph 301).
- (3) Whether the District Surgeons could not be reduced in number. Of these there are four, or, including the Fort Surgeon, five. They have additional duties and allowances as follows :—

1st.—Auxiliary Medical School (R200) and Inspector of Emigrants (R200).

2nd.—Superintendent of Hospital for Women and Children (no extra allowance) and of Lock Hospital (R400).

(a). *Vide* paragraph 128 of Chapter VI of this volume.

The Future Provincial Contract with Madras.

Medical.

3rd.—Body-Guard, Penitentiary, Jail Guard, and Orphan Asylums.

4th.—Minor Professorship (R200).

Fort,—Professor of Anatomy; Marine Surgeon.

187. It would seem at first sight possible to provide for the district work by some change in the distribution of duties among the Professors; the real difficulty in the way seems to lie in the number of hospitals and dispensaries in Madras which are under their charge. The Surgeon of the First District has charge of the Black Town Dispensary and the Monegar Choultry; the Fourth, that of the Royapetta Dispensary. The similar work of the other officers has already been specified. We would recommend a general examination of the question of the dispensaries in Madras. Considering how little they are contributed to from Local sources, it ought to be possible to provide for them more largely by officers of the Apothecary class, and not in such a way as to require the location in Madras of the present number of highly-paid commissioned officers.

188. The hospitals and dispensaries in the Mofussil, of which there are about 300, are maintained by Local and Municipal Funds; but the expenditure included under Hospitals and Dispensaries contained in 1885-86 R38,565, and in 1886-87 R43,951, on account of payment of a proportion (usually one-fourth) of the salaries of Apothecaries and Hospital Assistants attached to them. This allowance is given in consideration of the officers in question doing any Government work that may be required of them. In connection with this, however, we find that the Government has to pay R25,000 for Apothecaries and Hospital Assistants, and R13,000 of other hospital charges, for the medical treatment of the Police, and that in some cases these amounts are paid at the very places where Government is also contributing to the Local Fund dispensary. It seems to us that the arrangements should be examined in greater detail than is available to us, and that Local Funds should either pay the whole charges of their dispensaries, or make them available for the Police for a reasonable payment.

189. With a view of estimating the existing standard of expenditure under Hospitals and Dispensaries, the figures may be thus divided:—

	1881-85.	1885-86.	1886-87, Budget.
	R	R	R
Salaries and Establishment	1,72	1,93	1,87
Supplies and Services	1,17	1,87	2,04
Contingencies	31	22	23
TOTAL	3,20	4,02	4,14

190. The increase therefore appears under the head of Supplies and Services; and there almost entirely under the head of Medicines supplied. It is due to the practice now adopted of charging the Provincial Services first and recovering from Local and Municipal afterwards. The recoveries in 1885-86 were 31 from Municipal (credited as a Medical Receipt), and 40 from Local (under the Contribution head). So that the figure in the estimate may be taken, provided that a corresponding increase of, say, 80 over the standard of 1884-85 comes in under Medical Receipts, and under Contributions. As 31 is provided under the former, 49 is due under the latter.

under Supplies and Services,—
due to different system of
account-keeping.

The Future Provincial Contract with Madras.

Medical.

191. We note that the average cost of diet varies singularly in the hospitals in Madras. The General Hospital shows $8\frac{3}{4}$ annas for Europeans and $5\frac{1}{4}$ for Natives; the Eye Infirmary shows $6\frac{1}{2}$ and 4 annas; the Leper and the Lying-in Hospitals show still lower figures.

192. The question of the Medical College has already been dealt with under Hospitals and Dispensaries; but it remains to note that, in consequence of a change in the system of medical education, it will cease to be necessary to give the stipends, which in the present estimate amount to R15,220.

193. This head also includes the Auxiliary Medical School, which has already been referred to, and which has, besides the Superintendent, a staff of three Assistant Apothecaries and two Hospital Assistants, who get special allowances aggregating R312-8 a month for instruction given. The school is attended by about one hundred students, of whom five pay fees. Half of these are Native military pupils.

194. It ought to be possible immediately to close this auxiliary Institution. It was required as a relief to the Medical College when, by the extension of dispensaries, the number of students there was too large for convenience. But the number is now only about 200 for both Institutions put together, and is less than is provided for in the similar Medical College at Bombay. The saving by the abolition would be a little over R12,000, besides the stipends. On the whole, therefore, a saving of 15 + 12 may be expected to accrue in a very short time, and we take it into account in framing our estimate for the future.

195. Local Funds support two Medical Schools at Nellore and Dindigul.

196. We have, under "Medical Establishment," discussed the question of combining the appointment of Sanitary Commissioner with that of Surgeon-General or with that of Inspector-General of Jails. The recommendation we have there made will effect a saving of R24,000 a year. We take no credit for it, as the proposal will need the approval of the Secretary of State.

197. We note that a proposal has been made to employ a Sanitary Engineer, who would advise and assist Municipalities, and whose pay would be charged to them. The appointment of this officer, if sanctioned, would be a further argument for merging the Sanitary Commissioner in the Surgeon-General.

198. Included under the head of "Sanitary Commissioner," is an allowance of R400 to the Second District Surgeon, who, with his Assistant Apothecary, works the Contagious Diseases Act in Madras and has charge also of the Lock Hospital.

199. Vaccination is almost entirely a Local charge in Madras, as Provincial pays only about R7,200 for charges in hill tracts where there are no Local Funds, and in the Bangalore and Secunderabad Cantonments. We think that the Vaccination expenditure in these Cantonments should be transferred to the Government of India estimates, because it is not advisable that such small services should be controlled from such great distances.

The Future Provincial Contract with Madras.

Scientific and Minor Departments.

200. Civil Surgeons are sanitary and vaccination officers for their districts, and advisers to the Local Boards. In about 507 villages (out of 51,000) the Local Boards have made conservancy arrangements.

201. There are three Lunatic Asylums in the Presidency. The annual cost is about R80,000, although it is estimated a little higher. Towards this expenditure, the relatives of patients contribute about R3,500, and Municipalities and Local Boards about R18,500.

202. We have no remarks to make on the other heads, except that there is in the year 1886-87 a special charge of about R10,000 on account of Grants for medical purposes. We have taken under this head the figure of former years, which includes all that the Local Government gives us as their normal charge. The principal part of it is a grant of 12 to the Ootacamund Municipality.

SCIENTIFIC AND MINOR DEPARTMENTS (PROVINCIAL).

203. The following are the details under this head :—

	1884-85.	1885-86.	1886-87.
	R	R	Budget. R
1. Exploration of Minerals . . . . .	...	9	10
2. Provincial Museums	21	21	21
3. Observatories	20	18	24
4. Scientific Societies	5	4	4
5. Model Farms	50 (4)	58 (4)	70 (1)
6. Cinchona	85 (37)	73 (38)	84 (36)
7. Public Exhibitions	14	15	16
8. Botanical Gardens	24 (2)	27 (3)	25 (3)
9. Emigration	36 (13)	31 (2)	21 (11)
10. Statistics	37	39	37
11. Examinations	68 (65)	62 (63)	69 (67)
12. Miscellaneous and Refunds	2 (2)	2 (1)	3 (2)
	<u>3,68 (1,73)</u>	<u>3,59 (1,71)</u>	<u>3,84 (1,80)</u>

204. The figures in brackets indicate the receipts. We have no remarks to make on the heads numbered 1, 2, 4, 7, 8, and 12.

205. We note that the Budget Estimate contains provision for a special charge of 4 (honorarium to the Astronomer) which has not ordinarily to be provided for. We may therefore reduce the Estimate under Observatories to 20.

206. The charges misnamed "Model Farms" include—

(a) Assistant Director of Agriculture and his establishment	13
(b) Establishment for the preparation of analytical accounts of districts	8
(c) Experiments for improvement of agriculture	6
(d) Cattle-Diseases Department	43

207. The first two of these figures have reference to the project of framing an analytical account of those districts which are especially subject to famine or drought. The necessity of the work is unquestionable, but we have doubts whether the money is at present being well laid out. Kurnool was the first district taken up, and on 16th September 1884, the Director reported that "so far as materials are avail-

Assistant Director of Agriculture.

The Future Provincial Contract with Madras.

Scientific and Minor Departments.

able here, the analysis is nearly completed"; but he wanted further expenditure on local enquiry. After some further correspondence, arising out of the demand of the Government for information as to the method and scope of the enquiry, the Director, on 14th April 1886, submitted a memorandum by Mr. Benson, late of the Saidapet Farm, the officer immediately charged with the enquiry, intended to show what progress had been made. He pointed out that no tangible result was yet presented; that the officer was multiplying his work indefinitely by abstaining from using the information laboriously compiled by the Survey and Settlement and other Departments; and that the enquiry was being dealt with in an unmethodical way without reference to time or money. He desired to be placed in a position to insist on the performance of a fair tale of work by the establishment. We cannot find that any definite result has yet been attained, and the establishments have now been working for over two years in one only of the many districts included in the scheme.

208. The Cattle-Diseases Department was recently constituted, and consists of Inspectors located in the districts working under the direction of a Veterinary Surgeon at head-quarters. We think the Local Funds should be called on to pay a portion of these charges.

209. For the working of the Cinchona Plantations, we accept the Budget Estimate. These plantations have paid their way, and have now reached a stage, at which the Government rather abstains from making out of them all the profit they might make, in order to avoid competition with commercial interests.

210. Emigration might be expected to pay its way a little better. The charges up till 1885 were composed of—

Protector and Medical Inspector, about	R	8
Consuls at Pondicherry and Karikal	„	29

There has been a small reduction of expenditure by the amalgamation of the two Consular Agencies. We understand there is some difficulty about raising the fees, by reason of the understanding entered into with the French authorities.

211. The Statistical establishments are maintained for registering trade with Native States.

212. The Examinations for qualification for the public service form in Madras a large department. The directing authorities are the Director of Public Instruction and an officer of his department who is Secretary. The examinations are held all over the Presidency, and the examiners and other officials employed divide in the form of honoraria the receipts by fees. The figures indicate some doubt as to whether the amount thus distributed in honoraria does not exceed the available amount; and if expenditure of a general kind (rents, stationery, time occupied, &c.), were taken into consideration, the account would certainly show a considerable loss. The Secretary, who is a Government servant, gets the handsome fee of ₹4,200 a year, and we are inclined to think some of the other honoraria are somewhat high, considering they are, to a considerable extent, extra allowances paid to Government officers for work done in, or out of, office hours.

213. On the whole account, our estimate for this head is the Budget Estimate of Receipts 1,80, and 4 less than the Budget Estimates of Expenditure, or 3,80.

The Future Provincial Contract with Madras.

Superannuation Allowances and Pensions.

Stationery and Printing.

SUPERANNUATION ALLOWANCES AND PENSIONS.

214. *Expenditure*.—The payments on this account have been steadily increasing, the five years of the Contract, including Budget Estimate for 1886-87, showing 8,40; 8,62; 9,16; 9,52 and 9,76. From an analysis given by the Accountant-General, it would appear that the largest share of the increase is in the pension list of the Police, which stood, at 1,27 in 1882 and at 2,16 in 1885, giving an increase of 89, whereas all the other departments put together show, in the same three years, an increase of 22 only. If this rate of increase continues, 9,76 is evidently too small an estimate for 1886-87, and can be accepted only pending the preparation of the Revised Estimates.

215. *Receipts*.—The receipts are pretty steady, and may be taken at 24.

STATIONERY AND PRINTING.

Detailed sub-heads.

216. The following heads are separately shown :—

.....	1884-85.	1885-86.	1886-87, Budget.	Committee's estimate.
Expenditure—	R	R	R	R
Stationery Office	25	28	20	20
Stationery supplied	3,98	4,17	4,00	4,00
Printing	3,26	3,05	3,31	3,25
Other charges	12	13	12	12
TOTAL	7,61	7,63	7,72	7,66
Receipts	84	1,02	78	78

217. *Expenditure*.—The slight increase in the cost of the Stationery Office is due to an increase of establishment recently allowed by the Government.

218. The consumption of stationery appears to be fairly estimated at four lakhs, and to have increased only slightly over the standard of five years ago. The indents of officers are carefully scrutinised with reference to their past expenditure; and, in recent years very elaborate comparative statements of the consumption of the various officers have been submitted by the Superintendent to the Government and have formed the subject of orders issued and circulated by the latter.

219. The Stationery Office has of late years, especially in 1885-86, been largely increasing its purchases of country-made stationery.

Printing.

220. The charge for Printing may be shown under the following heads :—

.....	1883-84.	1884-85.	1885-86.	1886-87, Budget.
Secretariat Press	R 2,19	R 2,00	R 1,80	R 1,86
Collectorate Presses	86	80	80	86
Private „	46	46	45	58
TOTAL	3,51	3,26	3,05	3,30

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Stationery and Printing.

221. The Secretariat Press charges include those for the printing of forms by jail labour at the Penitentiary Press. We are hardly in a position at present to pronounce an opinion as to the economy of the arrangements, but the cost appears of late years to have been diminishing. The annual report shows, as in other similar cases, a large "profit" in working, but that merely indicates that the work is valued at very much more than it costs.

222. The Superintendent in his annual report to Government deals fully with the question of the amount of printing required of the Press by the various indenting officers.

223. The Collectorate Presses are a system peculiar to Madras. They cost about R80,000 a year, and they have corresponding receipts of about R45,000. Of the receipts, about 5,000 or 6,000 rupees are due to subscriptions received to the district Gazettes, and over R30,000 to payments for private work, which we understand to mean, for the most part, the proceedings of Local and Municipal Boards, which are printed at the cost of these Boards in the district Gazettes.

224. We are somewhat doubtful of the justification for this expenditure, but the Government of Madras attach some importance to the system, and consider that the circulation of certain classes of orders and instructions among subordinate officials and Revenue officers is of great service in the working of their Land Revenue system. We are not disposed, therefore, to recommend any interference with it. So far as we can find, there would not appear to be much economy, and there would be some inconvenience, in centralising the work, as the Presses, under the existing organisation, are made useful for several minor purposes. Their working is carefully reviewed by the Board of Revenue, but we hardly see the use of valuing the work at nominal rates, twice as high as the actual cost, as such a comparison is apt to lead to a wrong judgment on questions of economy of working.

225. A charge of R1,000 for the Resident's Press, Mysore, has been added in the estimates, but it apparently should have no place in the Madras Provincial Budget.

226. The printing at Private Presses is permitted in a certain limited number of cases. We have nothing to remark on the arrangements made for this printing, which seem to tend to economy and convenience. The Government Press, we understand, could do the work somewhat more cheaply, but it is not possible at present, for want of room, to arrange for its undertaking it. The charges, however, are always examined and passed by the Superintendent.

227. The Budget for 1886-87 includes under this last head of Private Presses an exceptional provision of R5,000 for printing certain papers of the Madras Observatory. With the exception of this amount, and of the R1,000 mentioned in paragraph 225, we may make provision in the future according to the Estimate for 1886-87. The "Other charges" in the statement in the heading are for lithography.

228. *Receipts.*—The receipts show only slight variations from year to year. There were some special receipts (with counterbalancing expenditure under Stationery) in 1884-85, but, with this exception, the Budget Estimate agrees fairly with past years' figures.

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Miscellaneous.

MISCELLANEOUS.

229. The Miscellaneous expenditure and receipts of the Government of Madras are composed of the following items:—

.....	1883-84.	1884-85.	1885-86.	Budget, 1886-87.	Committee's Estimate.
<i>Expenditure.</i>	R	R	R	R	R
Destruction of wild animals	82	1,21	1,06	1,20	80
Charitable donations	65	68	58	64	64
Establishments for stamping weights and measures	17	18	20	20	20
Other petty establishments	3	2	2	2	2
Rates, rents, and taxes	30	26	14	25	25
Language examinations	18	13	15	14	14
Books and publications	23	17	11	10	10
Other charges	21	17	27	19	19
TOTAL	2,59	2,82	2,53	2,74	2,34
<i>Receipts</i>					
Unclaimed deposits	28	25	32	25	25
Fees and fines	21	22	27	24	24
Other receipts	30	26	25	26	26
TOTAL	79	73	84	75	75

230. *Expenditure.*—The rates of the Rewards for the Destruction of Wild Animals were very much raised in 1881-82, or rather the maximum rate was then allowed to be paid in all cases. The expenditure accordingly rose from 26 in that year to 121 in 1884-85. The measure does not appear to have been successful in procuring either greater destruction of wild beasts, or greater protection to human life, and the Madras Government have intimated their willingness to reconsider the rates allowed and to accept for the future an estimate of 80 only.

231. The Charitable Donations include about R36,000 of ancient obligations in respect of contributions to poor-houses, and about R16,000 of grants for the maintenance of orphans received from the last famine. We have suggested to the Government of Madras an examination of the latter class of charges, as they ought to be showing a diminution, and should not be allowed to pass into permanent payments.

232. The establishments for Stamping Weights and Measures are paid for by fees.

233. The Rents, Rates and Taxes include R21,600 of Municipal rates in Madras, R1,400 in Bellary, R1,100 in Ootacamund, and R1,700 in other stations. Regarding the first of these we have made a proposal below (see paragraphs 309 and 310). The whole amount paid to the Madras Municipality is about R51,000, as, besides the amount charged under this head, there are charges under departmental heads as follows:—Customs, R3,169; Administration, R1,721; Law and Justice, R8,620; Police, R1,416; Education, R2,445; Medical, R6,706; Minor Departments, R2,078; Pensions, R1,098; Salt, R4,346, and some other sums under R1,000.

234. The rewards for Language Examinations are perhaps not very high for a polyglot Presidency, such as Madras; but we have some doubt whether lower standard tests should not rather be made obligatory on officers already in the service, in some of the cases in which rewards are given. The rewards in these cases are, however, very small.

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Post Office. Public Works.

235. We understand that a heavy charge is now being incurred under Special Commissions of Enquiry, which will raise the Revised Estimate, but which will not recur.

236. The cost of Books and Publications the Government in their estimates reduce to R10,000. The figures include the Civil and Army Lists and the cost of the registration of books.

237. *Receipts*.—The receipts are very steady in amount, and we take them at the Budget figure.

POST OFFICE.

238. The figure under this head is a grant of 1,07, which is made over to the Imperial Post Office Department. We think that either this grant should cease, and all expenditure be dealt with as Imperial, and be subjected to departmental control; or that, the grant being given, the Local Government should see that it is used in the interests of the rural population, or for the purposes of official correspondence where the arrangements are otherwise insufficient. We understand the Local Government prefers the latter course, and we therefore retain the grant.

PUBLIC WORKS.

RAILWAYS.

239. The provision in this year's Budget estimate is—

	R
Surveys	35,000
Subsidy, Nilgiri Railway	50,000
TOTAL	85,000

240. The railway surveys in progress will be completed this year, and as no other surveys are now contemplated, no provision on this account is necessary. It is not yet known whether the promoters of the Nilgiri Railway will be able to raise the funds needed for carrying out the project; we consequently propose to make no allowance on this account in the new Contract. The Government of India has approved of the concession, for which a contract has been made with the Company, and as the charge on this account would have had to be provided for in the Provincial Contract, had the railway been commenced, any payment, that may hereafter have to be made on this account, should be provided for by a special addition to the Provincial allotment, that may now be fixed. Meanwhile, no provision under this head is necessary.

IRRIGATION AND NAVIGATION, MINOR WORKS.

241. *Revenue*.—The actual transactions under this head, which are almost entirely receipts of the Buckingham Canal, have during the last few years been as follows:—

	R
1882-83	1,41
1883-84	55
1884-85	53
1885-86 (Revised)	53
1886-87 (Budget)	54

242. The falling-off is attributed to an alteration in the system of granting boat licenses on the Buckingham and connected canals. An increase of Revenue is anticipated at no distant date. We place the estimate at the figures of the current year's Estimate, *viz.*, R54,000.

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Public Works.—Civil Works.

243. *Expenditure.*—The amounts of the outlay under this head have been as under :—

	1881-85.	1885-86, Revised.	1886-87, Budget.
<i>Capital.</i>	₹	₹	₹
Buckingham Canal	2,22	2,41	2,24
Madras Water-supply	6	12	18
Sundry Surveys	59	71	72
TOTAL	2,87	3,24	3,14
<i>Revenue.</i>			
Buckingham Canal	96	1,27	96
Madras Water-supply	62	1,70	48
Vedarniem Canal . . . . .	...	2	7
TOTAL	1,58	2,99	1,51
GRAND TOTAL	4,45	6,23	4,65

244. A considerable capital outlay is still needed to complete the Buckingham Canal, and as this is considered to be a work of much value as a line of communication, and will become of more importance when the railway between Bezvada and the Singareni Coal-field is completed, it does not appear desirable to reduce the present rate of outlay, and we, consequently, recommend that the outlay during the next five years shall be carried on at the present rate of ₹2,24,000.

245. A sum of ₹22,000 is still needed to complete the Madras Water Supply project. We consequently propose to assign an annual sum of ₹4,400 on this account, in framing the new Contract.

246. As the survey work now in progress will be wound up this year, no further provision on this account will be necessary.

247. An annual grant of ₹95,000 may be provided for revenue outlay on the Buckingham Canal. We are informed that the annual outlay in connection with the Madras Water Supply project will amount to about ₹20,000, and provision must be made to this extent. ₹7,000 will also be necessary for maintaining the Vedarniem Canal.

248. The grant under this head will thus stand as under :—

Buckingham Canal, Capital	₹
Ditto Revenue	2,24,000
Madras Water-supply, Capital	95,000
Ditto Revenue	4,400
Vedarniem Canal, do.	20,000
	7,000
TOTAL	3,50,400

or, say, ₹3,51,000.

CIVIL WORKS.

249. *Revenue.*—The Revenue since 1882-83 is—

	₹
1882-83	79
1883-84	1,47
1884-85	1,08
1885-86	1,12
1886-87	1,10

We place the future estimate at ₹1,10,000.

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Public Works.—Civil Works.

250. *Expenditure*.—The transactions under this head during the last few years are as under :—

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86, Revised.	1886-87, Budget.
	₹	₹	₹	₹	₹	₹
Original Works	4,74	11,33	13,95	15,44	9,32	8,74
Repairs	1,48	1,87	1,99	2,59	2,24	2,91
Establishment	7,06	5,24	5,38	6,45	7,31	8,24
Civil Officers	2,16	2,85	2,65	3,85	2,50	3,55
Other items	—79	—1,27	63	82	47	1,11
TOTAL	14,65	20,02	24,60	29,15	21,84	24,55

251. The average outlay in the five years ended 1885-86 amounted to Proposed future allotment. ₹22,05,000. After investigating these figures, and considering that the outlay for some years prior to 1882-83 was only ₹19,20,000, we are of opinion that the grant may now be fixed at ₹20,00,000.

252. It must be remembered that the care of roads is for the most part made over to Local Boards, so that these figures almost entirely represent expenditure on buildings. It will be seen from paragraph 287 that, in addition to what here appears, a sum of 1,00 is allowed for roads under the head of Contributions to Local Funds.

253. Omitting Original Works for the present, we offer the following remarks on the other heads.

254. It is enough to allow 2,30 under the head of Repairs. The average of the three years 1883-84, 1884-85, and 1885-86 was 2,27 and the expenditure before those years was much smaller.

255. We have the following particulars of the distribution of the whole charge for establishment in the Presidency :—

	1882-83.	1883-84.	1884-85.	1885-86, Actuals.	1886-87, Budget.
<i>Imperial.</i>	₹	₹	₹	₹	₹
1. Minor Irrigation Works	4,87	5,15	5,78	6,39	6,73
2. Other Imperial Charges	6,88	7,79	7,28	7,34	7,86
TOTAL	11,75	12,94	13,06	13,73	14,59
<i>Provincial.</i>					
3. Minor Irrigation Works	74	87	1,41	1,87	1,61
4. Civil Works	5,24	5,38	6,45	6,58	8,24
5. Contributions : . . . . .	...	...	...	45	30
TOTAL	5,98	6,25	7,86	8,90	10,15
6. Local	33	30	31	19	27
GRAND TOTAL	18,06	19,49	21,23	22,82	25,01 (a)

(a) The details work up to 25,01, but only 24,59 has been granted.

256. The charge which comes under our present cognisance is that against No. 4. Both that portion of the charge and the whole charge have increased by more than 30 per cent. since 1882-83, and we think measures should be taken to reduce them. We do not

Increase of cost since 1882.

The Future Provincial Contract with Madras.

Public Works.—Civil Works.

think we should take in the Contract more than 6,50, as required for payment on this account.

257. In the following statement the actual establishment employed during the year 1881-82 and its cost are compared with the establishment employed in August 1886 and with the actual cost of the same for the six months ended 31st August 1886. It will be seen that while the establishment cost R1,18,000 a month in 1881-82, it now costs R1,62,000 a month.

Statement comparing the former and the present cost of the Madras Public Works Establishment.

CLASS OF ESTABLISHMENT.	NUMBERS.				Cost.	
	On 30th September 1881.	On 28th February 1882.	On 31st August 1886.		For 1881-82.	For six months to end of August 1886.
			Permanent.	Temporary.		
Chief Engineers . . .	2	2	2	...	R 6,23,350	R 3,93,505
Superintending Engineers . .	5	6	7	...		
Executive Engineers . . .	25	36	41	12		
Assistant Engineers . . .	35	29	17	12		
TOTAL, ENGINEER ESTABLISHMENT.	(a) 67	(a) 73	(a) 67	12	6,23,350	3,93,505
Upper Subordinate establishment.	158	171	253	...	2,92,657	2,26,055
Lower Subordinate establishment.	18	19	32	...	6,930	7,347
Petty establishment . . .	1,653	1,667	2,201	...	1,64,442	1,10,616
Office " . . .	801	893	1,053	...	2,51,607	1,85,053
Account " . . .	54	60	65	...	76,497	49,019
TOTAL					14,15,483	9,71,595

(a) Includes officers of the Accounts Branch.

258. The reduction made in outlay generally will probably render a reduction in establishment necessary, and although any reduction of the permanent establishment is deprecated by the Madras Government, we do not see how it can be avoided.

259. By an error of procedure which has since been corrected—though not in time to affect the Budget Estimates for 1886-87 Expenditure by Civil Officers. —the charges for Petty Construction and Repairs, which should be taken to their several departmental heads, have been charged to Public Works, "Civil Officers." The total of this head is made up as follows:—

	1883-84.	1884-85.	1885-86.	1886-87, Budget.
	R	R	R	R
Petty Construction and Repairs . . .	2,02.5	2,42.3	1,77.6	2,60.0
Miscellaneous Public Improvements . . .	2.6	87.6	3.3	2.0
Communications . . .	59.5	55.4	65.6	93.0
TOTAL	2,64.6	3,85.3	2,46.5	3,55.0

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Public Works.—Civil Works.

260. An examination of the figures of past years gives us the following as probable estimates for Petty Construction and Repairs :—

	Budget, 1886-87. R	Committee's estimates. R
Land Revenue	72	60
Customs and Excise	15	6
Law and Justice	25	25
Jails	25	25
Police	73	70
Cattle Pounds	25	20
Other Heads	25	25
TOTAL	2,60	2,31

261. For estimate purposes these will be taken under this head of Civil Works, though the accounts will show the amounts under their several departmental heads.

262. The second head of the statement in paragraph 259 contains only a small payment of R2,000, the large figure of 1884-85 representing a special grant to the Madras Municipality.

263. The third head—Communications—represents the expenditure in the Hill Tracts of Ganjam and Vizagapatam, which would be Local Fund expenditure if there were Local Funds in those places. We may provide R60,000, being the average of the last three years.

264. We get thus for the whole grant under this head $2,31 + 2 + 60 = 2,93$.

265. The obligatory expenditure on Civil Works may therefore be placed as under :—

	R
Repairs	2,30,000
Establishment	6,50,000
Civil Officers	2,93,000
TOTAL	11,73,000

266. This will leave, out of the proposed assignment of 20 lakhs, R8,27,000 for outlay on Original Works, Tools and Plant, and Suspense. Allowing R50,000 per annum for expenditure on Tools and Plant and Suspense, which appear a full provision, R7,77,000 per annum will be available for outlay on Original Works.

267. We have been supplied with lists of the Civil Works sanctioned and proposed by the Government of Madras, for which funds will be needed after the close of 1886-87.

268. These lists may be classified as under—

I. Works in progress—

	R
Government House, Ootacamund	80,500
Jail at Trichinopoly	63,700
Collector's Office, Bellary	26,000
23 buildings under R25,000 each	1,59,800
Ghat roads in Vizagapatam	2,42,700
Ghat roads in the Wynnad	6,17,300
Ootacamund water-supply	35,000
TOTAL	12,25,000

With regard to the first item, we understand that the work is completed and no further expenditure is required. The estimate should therefore be closed.

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Public Works.—Provincialisation of Irrigation.

- II. *Works not commenced*.—These works are divided into two classes—(i) urgent, and (ii) ordinary. Of the eighty-three works (all of them being buildings) classed as urgent, it is estimated that sixty-six buildings will cost about R7,50,000; for the remaining seventeen works estimates have apparently not been prepared. Fifty-nine works (also all buildings) are entered in the list of ordinary works; estimates amounting to about R85,000 have been prepared for sixteen works; the amount needed to construct the remaining forty-three works is apparently not known.

269. The amount needed to complete works in progress and for the sixty-six urgent and the sixteen ordinary works for which estimates have been prepared, comes to about R20,60,000, so that, if we fix the annual grant for Original Works at R7,77,000, a sum of R18,25,000 will be available during the next five years for outlay on other works for which estimates have not yet been prepared. As the bulk of the outlay on Communications in the Madras Presidency is met from Local Funds, the proposed grant does not appear to involve any excessive reduction.

PROVINCIALISATION OF IRRIGATION.

270. *Expenditure*.—The following figures are taken from the Finance and Revenue Accounts, and include the whole of what are classed as Minor Irrigation Works, Imperial, in Madras :—

	1882-83.	1883-84.	1884-85.
	R	R	R
IRRIGATION—MINOR WORKS—			
A. <i>Irrigation works for which Capital and Revenue accounts are kept—</i>			
Capital outlay . . .	—1,18,020	3,180	12,320
Revenue outlay . . .	81,550	71,290	57,900
TOTAL . . .	—36,470	74,470	70,220
B. <i>Irrigation works for which neither Capital nor Revenue accounts are kept—</i>			
New works . . .	2,86,430	2,50,130	2,61,710
Repairs . . .	9,24,240	10,03,250	11,63,240
Establishment . . .	3,90,720	4,23,580	4,89,530
Tools and Plant . . .	15,930	22,850	21,900
Miscellaneous . . .	...	50	220
TOTAL . . .	15,67,320	16,99,860	19,39,600
C. <i>Agricultural works for which neither Capital nor Revenue accounts are kept—</i>			
New works . . .	1,61,870	1,62,400	1,37,190
Repairs . . .	2,91,190	1,87,650	1,97,730
Establishment . . .	1,05,140	77,660	75,810
Tools and Plant . . .	6,790	5,010	3,270
Miscellaneous . . .	...	190	1,130
TOTAL . . .	5,67,990	4,32,910	4,15,130
GRAND TOTAL . . .	20,98,810	22,07,240	24,24,950
Deduct English Stores . . .	10,570	13,810	650
NET EXPENDITURE . . .	20,88,270	21,93,430	24,21,300
RECEIPTS . . .	22,630	24,300	19,110

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271. As regards Class A, the only Capital outlay remaining after the end of 1886-87 is Rs1,94,994 on the Palar anicut, and Rs10,858 for the Pelandorai anicut. We would suggest that the Provincial Government might accept this charge and get a special assignment of Rs68,500 during each of the first three years of the Contract. The future Revenue outlay they estimate at Rs54,000 annually, which we would also Provincialise.

272. The main question, however, is with reference to the works classed in the above statement as B, which are, for the most part, the numerous tanks scattered over the Presidency, regarding whose condition there has been a long discussion between the Government of Madras and the Imperial Government. The revenue derived from them is almost entirely Land Revenue, and a considerable portion of the land revenue of the province is dependent upon them. They are not at present in a satisfactory condition, and projects for their restoration have for some time been under preparation and discussion.

273. The distribution of the charges under this head is as follows :—

CLASS B—	1884-85.	1885-86.	1886-87, Budget.
	R	R	R
(a) Works under the general scheme of "Tank Maintenance"	1,87,069	3,34,975	7,00,000
(b) Ordinary tank works, <i>vide</i> detail below	14,07,726	11,05,998	10,15,606
(c) Old maintenance charges for works for which Capital and Revenue accounts are kept	3,44,809	3,50,472	3,43,694
TOTAL	19,39,604	17,91,445	20,59,300

Statement showing the details of expenditure incurred and of work done on Ordinary Irrigation Tanks.

	1879-80.	1880-81.	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	Budget grant for 1886-87.
	R	R	R	OUTLAY. R	R	R	R	R
<i>Ordinary Irrigation Works under the charge of the Public Works Department.</i>								
Original works—								
Major	50,764	60,519	90,756	1,19,734	1,15,409	1,18,383	82,005	30,504
Minor	82,621	61,005	75,989	1,10,260	1,22,539	1,10,466	98,932	1,00,000
Repairs—								
Maintenance	5,91,989	4,76,079	5,60,685	6,05,486	5,51,795	5,81,065	70,802	5,22,485
Restoration							3,35,300	
Special							1,03,745	
Establishment	2,52,320	2,08,340	2,14,690	1,91,932	1,81,000	1,87,806	1,57,938	1,51,487
Tools and Plant	23,706	17,577	16,455	12,500	12,133	8,272	6,816	6,530
TOTAL	10,01,400	8,26,520	8,98,775	10,39,912	9,82,876	10,05,992	8,56,438	8,11,006
<i>"Minor" Irrigation Works under the charge of Collectors</i>	...	87,078	1,13,067	1,67,985	3,19,055	4,01,619	2,49,530	2,75,000
GRAND TOTAL	10,01,400	9,13,598	10,11,842	12,27,897	13,01,931	14,07,611	11,05,968	10,86,006

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Public Works.—Provincialisation of Irrigation.

Statement showing the details of expenditure, &c.—continued.

	1870-80.	1880-81.	1891-82.	1892-83.	1893-84.	1894-85.	1895-86.	Budget grant for 1896-87.
"Imperial" Works.	WORK DONE.							
Number of surplus weirs constructed (a) . . .	R 112	R 115	R 85	R 117	R 118	R 138	R 89	...
Number of sluices constructed (a) . . .	106	54	82	85	89	97	105	...
Number of works repaired and maintained.	No information available.		743	658	852	1,172	307	...
Number of works to which special repairs have been carried out.							401	...
Number of works restored . . .							639	...
"Minor" Irrigation Works repaired . . .	No information available.					1,901	1,190	...

(a) These figures do not include work done under Major Works.

N.B.—1. The total number of Imperial Works under this head in the Presidency is 3,564, and that of "Minor" Irrigation works 28,292.

2. Until February 1880 the Public Works Department had charge of all Irrigation Works. Since then these which irrigate less than 200 acres of land are, except in special cases, placed in charge of Collectors.

3. The expenditure incurred on repairs prior to 1885-86 cannot be divided into "Maintenance," "Restoration," and "Special" without reference to Executive Engineers.

274. We have been seeking a means of Provincialising the expenditure upon these tanks, so that the Local Government may have a direct interest in procuring their restoration as quickly and as cheaply as possible, and in maintaining them in an efficient condition. The plan we have to propose in this respect, after discussion of the matter in detail with the local officers, is as follows:—

First, we are informed that the Revenue statistics maintained in the ordinary course of business are sufficient to fix for each tank the revenue directly dependent upon it. That is,

A standard of revenue to be fixed in each case. that for each tank it will be possible to lay down, as the present standard of revenue, the average revenue-demand for the last five years dependent upon it, and that similarly it will be possible in each future year to say what the revenue-demand on the same land is. The excess of any future revenue, as compared with the present standard, we call the increase.

275. There are very great difficulties in distributing the charges incurred between Capital and Revenue expenditure, but it is

Distinction between Tank Restoration and Tank Repairs. not difficult to distribute the outlay between that due to the general scheme of Tank Restoration (a) and the ordinary works undertaken before that scheme was laid down. The distinction is somewhat fine, but we define it by saying that

(a) Hitherto called "Tank Maintenance," but we prefer the term "Tank Restoration." repairs of the tanks undertaken because the embankment has burst, or is in a dangerous state, or to clear the channels—repairs, in short, whose object is to prevent the land revenue from falling off—should be classed as Ordinary Repairs. When, on the other hand, work is undertaken not through immediate pressure, but as part of a general scheme for improving a whole series of tanks, increasing the storage of water, and thereby increasing the irrigated area and the land revenue arising from it, such expenditure should be classed as Tank Restoration.

276. We estimate on the basis of past figures that the amount required to meet the expenditure on ordinary repairs is 12 lakhs,

Cost of ordinary repairs. and we propose that an assignment of this amount shall be made to Provincial Revenues for the period of the Contract. The

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Provincial Government will of course be at liberty to spend any additional sum that it can provide out of increasing revenue or by reductions elsewhere. It should be understood that, if this sum of 12 lakhs is assigned, an obligation exists to spend it on this class of works, and not to divert it elsewhere.

277. With regard to Tank Restoration, Colonel Hasted's Note of 27th November 1882 contained the following estimate of expenditure:—

								Lakhs.
1883-84	.	.	.	.	.	.	.	1·5
1884-85	.	.	.	.	.	.	.	3
1885-86	.	.	.	.	.	.	.	4·5
1886-87	.	.	.	.	.	.	.	7
1887-88	.	.	.	.	.	.	.	10

The Note was approved by Sir E. Baring, and the sums estimated were Eight lakhs to be granted as capital expenditure. promised as far as regarded the period of the Contract now expiring. But in 1885-86 and 1886-87, on account of financial difficulties, the grants were reduced. We think eight lakhs may be taken as the annual sum which may reasonably be spent on this scheme, and we propose that it should be treated as capital expenditure (under Irrigation, Minor Works) and interest paid on it to Imperial at 4 per cent. As, however, restoration work cannot be expected to have an immediate effect, the Provincial Government should pay nothing for the year in which the expenditure is incurred, nor for the next year, but should pay 4 per cent. in the year after that. It would also have to pay the annual maintenance charge on these tanks.

278. On the Receipt side, and to meet this charge, the Provincial Government would receive the whole of what has above been defined as the "increase of revenue." The net amount of increase on the one side (less the quarter which will already have been credited as the Provincial share of Land Revenue), and of payment of interest upon the other, would be in the accounts a transfer between Imperial and Provincial.

279. In proposing this to the Provincial Government, we note that, supposing they spend in this way out of Imperial resources as much as eight lakhs a year, the whole charge for interest that they will have to meet during the five years of the Contract comes to Rs.1,92,000, and the reports, which they have drawn up as to the advantage to be derived from carrying out the Tank Restoration scheme, show that they anticipate more than this amount of benefit to the revenue.

280. There remain the Agricultural Works of Class C, which are mostly embankments along the rivers, of a protective rather than immediately productive nature. We think they might be Provincialised at an estimate of R4,00,000.

281. The whole assignment, therefore, at which we propose that the works be Provincialised is—

		R
Class A, Chembrambaukum Tank and Palar and Pelandorai		
" " " " " " "	anicut, Revenue outlay	50,000
" B, (b) Ordinary Tank repairs		12,00,000
" B, (c) Old maintenance charges		3,50,000
" C, Agricultural Works		4,00,000
	TOTAL .	20,00,000

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Transfers between Provincial and Local.

together with a grant of Rs68,500 for three years for Class A, Capital, and the special arrangement above defined for Class B(a).

282. *Receipts*.—The direct receipts would be estimated at Rs20,000.

TRANSFERS BETWEEN PROVINCIAL AND LOCAL.

283. These contributions express the result of several mutual arrangements. Most of them are of a practically permanent nature. The details of the transfers from Local are as follows :—

Transfers from Local to Provincial.

	1884-85.	1885-86.	1886-87, Budget.	Committee's Estimate.
	R	R	R	R
1. Deputy Inspectors of Schools	27	3	28	...
2. Sanitary Inspectors (a)	31	28	29	29
3. Medical College	24	22	29	29
4. Presidency Establishment (b)	49	49	51	51
5. Public Works (c)	2	14	...	...
6. Repair of Medical instruments	1	1	1	1
7. Reserve of Medical Subordinates	2	2	2	2
8. Local Fund Audit (d) . . . . .	...	15	15	15
9. Medical Supplies to Dispensaries . . . . .	...	25	45	45
10. Government Press	6	13	6	6
11. Occasional payments and loans	46	36	26	1
TOTAL .	1,88	2,08	2,32	1,79

(a) Assistants to Civil Surgeons.

(b) In the Secretariat and in the Accountant-General's office.

(c) Payment for estimates drawn up and similar work.

(d) There used to be an audit clerk in each Collector's office, but the work is now concentrated under the Accountant-General's Local Audit Department.

284. The whole of these are charges upon the District Local Funds with the exception of about Rs4,000 under Presidency Establishments which comes from the Village Service and Canal and Ferry Funds. The contributions are in re-imbursement of services either of a general or of a special kind, which are paid for in the first place by Provincial. The contributions of a general kind are Nos. 2 and 3, which are fixed at $\frac{1}{2}$ per cent. of income; the others are calculated so as to be a re-imbursement of the actual cost of work done or the actual amount of expenditure incurred.

285. The first contribution in the list, that for Deputy Inspectors of Schools, has now ceased, and the entry of it in the Budget Estimate of 1886-87 was a mistake. We have proposed, in our remarks on Education, that it should be continued, and even enhanced, but as we have taken account of it there as a transfer of half the charge to Local Funds, it has not to be reckoned here as a contribution from them. We have also proposed that a contribution be taken on account of the charges for Cattle-Disease Inspectors; but we do not reckon it at present in our figures.

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Adjustments.

286. The transfers to Local are as follow :—

Transfers from Provincial to Local.

	1884-85.	1885-86.	1886-87, Budget.	Committee's Estimate.
	R	R	R	R
Grants-in-aid to Schools	36	46	76	46
Surplus of Cattle Pounds	30	40	32	32
For Public Works	1,23	1,25	1,50	1,00
For Medical	3	3	...	...
For Choultries	16	16	16	21
For general purposes	17	17	18	18
Occasional and Loans	45	...	...	...
TOTAL	2,70	2,47	2,92	2,17

The first of these heads represents the grants made to certain Secondary schools, of which the management was recently transferred to the Local Boards. The transfer has been going on for some time, but is probably complete now. The Budget was taken at 76, being the same figure as the Revised of 1885-86, but the actual expenditure of that year turned out to be only 46. The grants are given under the system applicable to schools generally, the maintenance of schools from Local Funds being dealt with as if they were contributions from private sources. For the reasons stated under Education, we think that the grants in aid of Secondary education should not be further increased, and we take 46 as the amount required under "Contributions."

287. The grants for Public Works are of a permanent nature so far as regards the sum yearly paid to the Nilgiri District Fund. The revenues of that fund are insufficient to maintain the roads, and the maintenance of these has therefore to be dealt with as a Provincial work :—only that, instead of being spent directly, the amount is made over to the District Board for expenditure. The same may be said of the grants to the South Canara District, where there are heavy ghât roads. A lakh of rupees is a fair estimate of the necessary demand on these two accounts.

288. The rest of this grant represents aid given to Local Boards, when for any special reason they find it necessary to make a larger outlay on roads than the local resources will meet ; for example, the South Arcot District Fund has this year received a grant to enable it to bear the heavy charges of repairs following the recent floods. We do not estimate any expenditure under this head, as it will be dealt with as part of the ordinary Civil Works expenditure of the Government.

289. The grants for Choultries represent for the most part payments of old standing now made to the Local Boards to whose management the Choultries were made over. The principal of these is the Munro Choultry, at Gooty, erected and endowed by Government in memory of Sir Thomas Munro, who died near that place. The amount to be estimated under this head is 21, the figure of the Budget being an error.

290. The grant for general purposes is practically an addition to the general purposes portion of the revenues of some of the Funds, in which it is too small to meet the expenditure.

ADJUSTMENTS.

291. We append to this Chapter two statements, A and B, which show the total and the Provincial share of all Provincial and divided heads according to the Budget of 1886-87; the total estimates of revenue and expenditure now adopted under the same heads; and

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the Provincial share of each, both according to the system now in force, and also under the system prescribed for the future Contract in the Government of India letter No. 2187, dated 26th July 1886, Department of Finance and Commerce.

292. We have presumed that the new Contract will annul all adjustments made since 1882 in the current Contract on account of modifications in the distribution of revenue and expenditure. They amount to 3,43 net (5,85—2,42), and are shown in Statement A only to facilitate comparison between the existing and the proposed Contracts.

293. The refunds of the grant for the Tanjore Survey will be completed in 1886-87, and although 1,46 will still be due on account of the Water-works outlay, it is obvious that no object will be gained by carrying the transaction into the new Contract.

294. The inter-provincial adjustments, amounting to—4 and also shown in Statement A, necessarily drop out of account. They will come in in the accounts of each year, as compensations for differences from the estimates. For example, if Madras pays the leave allowance of a Bengal officer, it will recoup the amount by inter-provincial adjustment, but as we have not included any such payments in our estimates, we have not to show separately the corresponding compensating adjustments.

THE MADRAS MUNICIPALITY.

295. The Municipality of Madras greatly obscure their financial position by mixing up, in their annual accounts, items which belong to their Revenue Account and items of an entirely different kind. They show no total of revenue or of expenditure on Revenue Account, but show a total of "Receipts," which includes such items as money raised by loan, and another total of "Disbursements," which shows expenditure upon loan works.

The accounts recast.

296. These accounts properly made up would stand as follows:—

.....	15 months ending March 1885.	12 months ending March 1886.	.....	15 months ending March 1885.	12 months ending March 1886.
<i>Revenue Account.</i>					
Taxation	9,04.2	8,83.3	Public Works	2,15.6	2,49.8
Other revenue	1,20.1	94.9	Education	16.0	13.8
Sinking fund interest (a)	17.7	18.7	Medical and Sanitation	67.2	59.5
Contribution from Provincial	31.2	17.7	Conservancy	2,94.3	2,52.7
			Drainage stations (b)	34.3	46.0
			Miscellaneous purposes	74.6	75.1
			Supervision and management	1,36.0	1,24.2
			Pensions	4.4	4.2
			Sinking funds	43.7	42.0
			Interest on loans	99.6	91.3
TOTAL .	10,73.2	9,64.6	TOTAL .	9,85.7	9,52.6
<i>Capital Account.</i>					
Loan . . . . .	...	2,72.8	Drainage works	1,93.4	1,53.5
From Provincial for water-supply and drainage	75.0	12.4	Water works	59.4	37.1
TOTAL .	75.0	2,85.2	TOTAL .	2,52.8	1,90.6

(a) The Government of India allowed the Municipality to appropriate the interest on the sinking fund of the Government loan. The amount is practically a reduction of the charge on account of sinking fund.

(b) Classed with "Conservancy" in the first period, and with "Public Works" in the second.

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297. The above figures are a mere distribution into two accounts, Revenue and Capital, of the major heads of the published accounts.

298. Now, the Madras Municipality receive assistance from Government to an extent which is absolutely unheard of elsewhere, and which is contrary to the principles applied by the Government of Madras to all the other Municipalities within the province.

299. First, as regards their water-supply. The cost of the source of the supply (the Red Hills Tank), namely, R10,75,589, was charged to Provincial, and the Municipality bore no part of it. They now pay for the water one rupee per 1,000 cubic yards, that is, less than one anna per ten thousand gallons, an extremely low rate, which amounted to only R3,776 in 1885-86; whereas its cost to Government, in the form of interest on capital outlay only, is, at four per cent., R43,020.

300. Secondly, the Municipality not only pay absolutely nothing towards their Police force, but actually demand from Government R667 for rates and taxes upon Police buildings. The Police force costs about R2,20,000, and the Municipality are under obligation (Act VII of 1878) to pay 50 per cent. of it, but the Government Resolution of 9th June 1882 waived the claim (then stated at R81,000). According to the principle regulating the payment both in Bombay and Calcutta, about three-quarters should be paid from rates and taxes and one-quarter by the Government. The Madras Government not only accepts the burden of the payment of the Municipal share, but, as just stated, pays the Municipality R667 for having done so.

301. So with hospitals and dispensaries. The Municipality do maintain two small dispensaries at a cost of about R18,000 a year; but towards the large Government expenditure upon hospitals and dispensaries in Madras town, amounting to about two lakhs (excluding the salaries of the commissioned medical officers), they contribute in all only about R25,000, and they take back about R4,000 of this in the form of rates and taxes upon the hospitals.

302. Even the burden of the roads within Municipal limits is not entirely Municipal; for Government gives a contribution of R15,000 towards two principal roads, and of R3,000 towards bridges.

303. The grounds alleged for this exceptional position of the Municipality are their general poverty and the great burden of roads within Municipal limits, which amount to 270 miles of metalled roads and 200 miles of unmetalled; but the disadvantage of the arrangement is that the Madras Municipality not only have no motive for economy, but are directly interested in raising their expenditure, so that the Government may not find any surplus to justify any revision of the arrangements. It is the general tax-payer, and not the Municipal tax-payer, who would profit by any economy in the financial management of the Municipality, and the Government, which represents the general tax-payer, has no effective share in the enforcement of economy.

304. There seems fair ground for considering that there is room for reduction of expenditure, and that the Municipality, if they were expected to meet their expenditure from their own funds, would be able in several respects to improve their financial position. First of all, without altering the existing legislative limits of taxation, they could increase their income by at least R30,000 under the head of Lighting tax. Secondly, the cost of administration seems very large. The salaries are—President, R1,800 (may be as high as R2,500); two Vice-Presidents, one of whom is Engineer also,

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Rs. 1,200; three Assistant Engineers, Rs. 950; Health Officer, Rs. 500; and Sanitary Inspector, Rs. 300. Taking the taxation income at Rs. 8,50,000, the proportion going to pay these officers is—

President	1.8 per cent.	} or altogether 5 per cent. of the taxation.
Vice-Presidents	. . . . .	1.4 "
Assistant Engineers	. . . . .	1.0 "
Health and Sanitary Officers	. . . . .	.9 "

The assessing and collecting establishment comes to a little less than 5 per cent.

305. We would suggest one economy here, in the amalgamation of the offices of President of the Municipality and Commissioner of Police on a salary of, say, Rs. 2,000. This might require a modification of the law in respect of the President's tenure of office.

306. Then the question fairly rises whether, seeing that Rs. 1,10,692 was sufficient to maintain and repair the roads in the twelve months of 1883 and Rs. 1,19,279 for the fifteen months of 1884-85, so much as Rs. 1,38,020 was necessary in the twelve months of 1885-86; and even the further question might be asked, whether some of the roads now kept up might not be abandoned.

307. On the whole, therefore, it would seem that an enforcement of economy might easily raise the actual surplus of 1885-86, which was Rs. 12,000, to half-a-lakh. Even then there would be a margin of taxation of Rs. 30,000 more.

308. In this state of things we conceive that the general tax-payer ought to be relieved of at least half-a-lakh of the burden now borne by him on account of the Municipal tax-payer. We do not forget that some further schemes are in view, which will enhance the interest charge against Municipal revenues, but we think that they ought to be re-examined. It is obvious that under existing arrangements the burden of them is not really borne by the Municipality, but by the Government, and it is open to question whether they should be undertaken, unless the existing limits of Municipal taxation are enlarged.

309. The following statement shows the payments which at present pass between the Government and the Municipality, or are incurred by Government on account of the Municipality. We omit consideration of the respective shares borne by Government and by the Municipality in the medical expenditure in Madras. The Municipality, or rather the dwellers within Municipal limits, certainly obtain an ample return for the Rs. 20,300 they contribute to the hospitals and for the Rs. 4,617 they contribute to medical education :—

<i>Fixed contributions by Government for Municipal purposes.</i>		R
(1) Three-quarters cost of Police, say		1,40,000
(2) Interest on capital outlay on Red Hills Tank.	43,020	
Deduct recovery	3,776	
		39,244
(3) Contribution for roads and bridges		18,000
(4) Payment towards People's Park		2,000
(5) Assessment upon Government buildings and hospitals, stated by the Accountant-General (see paragraph 232) at		51,435
	TOTAL	2,50,679

Besides the above, there have been occasional gifts, of which one of Rs. 75,000 is shown in the accounts above stated for 1885-86.

310. Our proposal is that the Government should take measures to withdraw half-a-lakh of these payments. No possible reckoning of the Municipal obligations in respect of the payment of the police force would put that item alone at so small a figure as Rs. 50,000; and Government are therefore in a position to

Proposed reduction of these contributions by half-a-lakh.

The Future Provincial Contract with Madras.

Conclusion.

present to the Municipality the alternative of seeing the necessary measures taken to transfer at least half-a-lakh of the Police expenditure to local rates, or of accepting, as a charge on their own resources, half-a-lakh of expenditure now borne by the Government. But the plan we suggest is that Government and the Municipality should agree that for a fixed term, say ten years, their mutual relations should exist as at present, save that no payment in respect of Municipal taxation on Government buildings and property should be demanded, that is, that the present payment, reckoned at Rs51,435, should cease.

311. By this agreement, the Municipality will come to have a real interest in economy, as they will reap the benefit of economy for their own exchequer, instead of feeling that any savings they can effect may only result in a scantier contribution from the general tax-payer towards Municipal purposes.

CONCLUSION.

312. Columns 3 of Statements A and B show that the estimated Provincial revenue of 1886-87 was 2,45,18; the estimated Provincial expenditure 2,43,45. That is to say, the Provincial Budget exhibited a surplus of 1,73. (In the original a deficit of 4,27 is shown. The difference is 6,00 and was due to the special contribution of 6,00 made by Provincial to Imperial in the current year.)

313. Columns 4 and 5 of Statements A and B show our calculations of the probable future revenue and expenditure as under:—

	Total. R	Provincial share as at present. R
Revenue	6,51,20	2,44,32
Expenditure	2,57,24	2,30,25
SURPLUS	3,93,96	14,07

There is thus a Provincial surplus of 14,07 which may be resumed by the Imperial Government. This is not, however, entirely a reduction of Provincial expenditure. Two-and-a-quarter lakhs are obtained by absorbing the surplus of the year and the excess provision in the Jail and Police estimates, reduced by the decreased estimate of receipts under Land Revenue; and one-and-a-quarter by transfers to Local and Municipal Funds. The real reductions may be set down as only about four lakhs in the Civil Heads, and six-and-a-half lakhs under Public Works.

314. The last columns of the two statements exhibit the Provincial revenue and expenditure calculated on the system which has been prescribed for the future Contract, as under:—

	R
Revenue	2,21,32
Expenditure	2,48,59

315. The deficit of 27,27, which will thus exist, will have to be met by a contribution from Imperial to Provincial, to be adjusted either through the Land Revenue head or in some other way. On whatever basis the revenue and expenditure are divided under the new Contract, the result will be the same, *niz.*, that as compared with the present Contract there will be a benefit to Imperial of 14,07, if the finances of the Provincial Government are left in a state of equilibrium, as it is intended they should be.

CALCUTTA;

The 4th October 1886.

The Future Provincial Contract with Madras.

A.—STATEMENT OF REVENUE.

	BUDGET ESTIMATE OF 1886-87.		ESTIMATES NOW ADOPTED.		
	Total.	Provincial share.	Total.	Provincial share as at present.	Provincial share as proposed.
1	2	3	4	5	6
Civil Heads.	R	R	R	R	R
Land Revenue	4,57,00	1,31,65	4,54,55	1,30,91	(a) 1,13,61
Salt (Rents and Miscellaneous)	1,37	1,37	1,37	1,37	1,37
Stamps	58,00	29,00	58,00	29,00	43,50
Excise	81,80	42,40	81,80	42,40	21,20
Customs (Rents and Miscellaneous)	27	27	27	27	27
Assessed Taxes	13,00	2,30	13,00	2,30	6,60
Forests	13,10	13,10	13,00	13,00	13,00
Registration	8,25	4,13	8,75	4,38	4,38
TOTAL REVENUE HEADS	6,35,79	2,24,22	6,33,74	2,23,63	2,03,86
Interest (Provincial)	3	3	3	3	3
Law and Justice, Courts	4,01	4,01	4,01	4,01	4,01
Ditto, Jails	1,93	1,93	1,93	1,93	1,93
Police	3,30	3,80	3,02	3,02	3,02
Marine	6	6	6	6	6
Education	1,83	1,83	1,80	1,80	1,80
Medical	1,20	1,20	1,20	1,20	1,20
Scientific and Minor Departments (except Archaeological)	1,80	1,80	1,80	1,80	1,80
TOTAL CIVIL DEPARTMENTS	14,13	14,13	13,82	13,82	13,82
Superannuations (excluding Lapsed Funds)	21	21	21	24	21
Stationery	78	78	78	78	78
Miscellaneous (Provincial)	75	75	75	75	75
TOTAL MISCELLANEOUS	1,77	1,77	1,77	1,77	1,77
Total Civil Heads	6,51,72	2,40,15	6,49,36	2,39,25	2,19,48
Public Works.					
Irrigation, Minor Works (Provincial)	54	54	54	54	54
Ditto ditto (Imperial)	20	20	20	20	20
Civil Works	1,10	1,10	1,10	1,10	1,10
Total Public Works	1,64	1,64	1,84	1,64	1,84
TOTAL REVENUES	6,53,36	2,41,79	6,51,20	2,40,89	2,21,32
Adjustments—					
Grant for Administrative Improvements . . . . .	...	5,00	...	5,00	...
Tanjore Survey and Madras Water-works . . . . .	...	—2,42	...	—2,42	...
Various transfers of expenditure . . . . .	...	85	...	85	...
Inter-provincial adjustments . . . . .	...	—4	...	...	...
TOTAL RESOURCES	6,53,36	2,45,18	6,51,20	2,44,32	2,21,32

(a) The Government of India letter No. 2187, dated 20th July 1886, proposes the assignment of a fixed sum plus a quarter of the increase. We adopt in this statement the somewhat more convenient, but equivalent, course of assigning one-quarter of the whole, plus a fixed sum.

The Future Provincial Contract with Madras.

B.—STATEMENT OF EXPENDITURE.

	BUDGET ESTIMATE OF 1886-87		ESTIMATES NOW ADOPTED.		
	Total.	Provincial share.	Total.	Provincial share as at present.	Provincial share as proposed.
1	2	3	4	5	6
Civil Heads.	R	R	R	R	R
Refunds—					
Land Revenue	96	28	1,72	50	43
Divided Heads	83	41	77	39	56
Forests (Provincial)	2	2	2	2	2
Land Revenue—					
Collectors and Establishments	35,12	35,12	34,87	34,87	34,87
Survey and Settlement	10,76	10,76	10,70	10,70	10,70
Inam Commissioner and Fishery Collections	30	30	25	25	25
Stamps	1,60	80	1,46	73	1,09
Excise	(a) 1,22	1,22	2,57	1,29	64
Customs	1,68	1,68	1,58	1,58	...
Assessed Taxes	80	4	30	4	15
Forests	12,10	12,10	10,50	10,50	10,50
Registration	6,04	3,02	6,25	3,13	3,13
TOTAL REVENUE HEADS	70,21	65,75	70,99	64,00	62,34
General Administration (except Account Office and Bunk charges)	10,53	10,53	10,39	10,39	10,39
Law and Justice, Courts	39,77	39,77	39,42	39,42	39,42
Ditto, Jails	9,17	9,17	8,90	8,90	8,90
Police (excluding Salt Police)	38,22	38,22	36,83	36,83	36,83
Marine	39	39	19	19	19
Education	11,46	11,46	10,66	10,66	10,66
Medical	12,27	12,27	11,84	11,84	11,84
Scientific and Minor Departments (except Archaeological)	3,84	3,84	3,80	3,80	3,80
TOTAL CIVIL DEPARTMENTS	1,25,65	1,25,65	1,22,03	1,22,03	1,22,03
Superannuations (excluding Lapsed Funds)	9,76	9,76	9,76	9,76	9,76
Stationery (except purchases for Central Store)	7,72	7,72	7,66	7,66	7,66
Miscellaneous (Provincial items)	2,74	2,74	2,34	2,34	2,34
TOTAL MISCELLANEOUS	20,22	20,22	19,76	19,76	19,76
POST OFFICE	1,07	1,07	1,07	1,07	1,07
FAMINE	10	10	...	...	...
Total Civil Heads	2,17,25	2,12,79	2,13,85	2,08,88	2,05,20
Public Works.					
Railways	85	85	...	...	...
Irrigation, Minor Works—Provincial—					
Buckingham Canal	3,20	3,20	3,19	3,19	3,19
Other works	1,46	1,46	32	32	32
Irrigation, Minor Works—Imperial . . . . .	...	...	20,00	...	20,00
Civil works—					
Original works	8,74	8,74	7,77	7,77	7,77
Repairs	2,91	2,91	2,30	2,30	2,30
Establishment	8,24	8,24	6,50	6,50	6,50
Civil Officers	3,55	3,55	2,93	2,93	2,93
Other charges	1,11	1,11	50	50	50
Total Civil Works	24,55	24,55	20,00	20,00	20,00
Total Public Works	30,06	30,06	(b) 43,51	(b) 23,51	(b) 43,51
Total Civil Heads and Public Works	2,47,31	2,42,85	2,57,36	2,30,37	2,48,71
Contributions to Local (net)	60	60	38	38	38
GRAND TOTAL OF EXPENDITURE	2,47,91	2,43,45	2,57,74	2,30,75	2,49,09
Deduct amount to be transferred to the Municipality . . . . .	...	...	50	50	50
GRAND TOTAL (net)	...	...	2,57,24	2,30,25	2,48,59

(a) The Excise expenditure was taken under "Salt," Imperial, and the 1,22 here shown was taken as a contribution from Provincial to Imperial.

(b) Exclusive of the special assignment of Rs5,600 for three years proposed in paragraph 271.

The Future Provincial Contract with Bengal.

CHAPTER VIII.

THE FUTURE PROVINCIAL CONTRACT WITH BENGAL.

[Figures entered thus,—2,08—without designation, mean thousands of rupees.]

PRELIMINARY.

In Appendix No. VI to this Volume will be found a history of the working of the last Provincial Contract with Bengal. It may be briefly summarised as follows.

2. The Revenue assigned to the Province, allowing for the subsequent modifications, made during the five years, was 3,57,12, and the expenditure 4,14,25, which worked out to a deficit of 57,13. But the Provincial balance, already large, was raised by a grant of 28,50 to 75,43, and it was assumed that by reducing its expenditure on Public Works, as well as by the natural growth of its revenue, the Province would soon be able to arrive at an equilibrium, and that meanwhile the large balance would cover the deficit of the first year or two. The following table shews the actual figures of the five years, the Railway and Irrigation figures in the Public Works column being taken net:—

Statement of Provincial Revenue and Expenditure in Bengal from 1882-83 to 1886-87.

	REVENUE.					EXPENDITURE.				
	CIVIL.		PUBLIC WORKS.			PUBLIC WORKS.				TOTAL.
	Principal Revenue Heads.	Other Departments.	Ordinary.	Railways and Irrigation, &c., net.	TOTAL.	CIVIL.	Ordinary.	Interest on Railways and Irrigation, &c., Capital.	Capital Expenditure.	
	1	2	3	4		6	7	8	9	
	R	R	R	R	R	R	R (a)	R	R (a)	R (a)
Average Assignment	2,86,84	45,59	7,05	17,64	3,57,12	2,72,66	50,75	33,71	...	3,57,12
1882-83	2,95,25	47,43	7,36	21,66	3,71,75	2,84,46	70,17	33,40	35,63	4,25,71
1883-84	2,93,43	47,26	7,91	20,29	3,73,91	2,86,87	50,42	37,95	13,90	3,88,54
1884-85	2,93,56	48,60	12,61	16,88	3,76,65	2,95,49	32,81	39,86	3,34	3,71,50
1885-86 (Revised)	3,01,26	49,07	7,22	20,92	3,78,47	2,96,12	30,55	41,93	5,03	3,73,73
1886-87 (Budget)	3,01,85	49,40	7,41	24,18	3,82,87	3,00,43	34,75	43,59	4,75	3,83,52
TOTAL OF THE FIVE YEARS	14,95,40	2,41,81	42,54	1,03,93	18,83,63	14,63,37	2,18,70	1,98,78	62,15	19,43,00
Five times average Assignment	14,34,20	2,27,95	35,25	88,20	17,85,60	13,63,30	2,53,75	1,68,55	...	17,85,60

N. B.—For an explanation of the mode in which the figures in the various columns are arrived at, see paragraph 10 of Chapter II, page 14.

(a) The figures on the expenditure side have been altered so as to stand at equilibrium, the reduction being taken under Public Works Ordinary and Capital Expenditure, because it was assumed that the deficit could be checked by a contraction of this class of expenditure.

The Future Provincial Contract with Bengal.

Preliminary.

3. The Revenue from Civil Heads increased by ten lakhs in the first year and by ten more lakhs subsequently: that from Public Works fluctuated but rose slightly; and altogether in the five years the Provincial Revenue has exceeded five times the assignment by 98 lakhs. On the other hand, it was not found easy to stop the high rate of expenditure to which the Province had become accustomed: in the first year there was even an increase of expenditure; it was largely retrenched in the second year, but only in the third year was equilibrium attained. Since that time the Province has kept within its income, but in the first two years 69 out of the 75 lakhs of balances were spent. The increase in expenditure has been entirely under Civil Heads and has been at the rate of $5\frac{1}{2}$ lakhs a year, or 28 lakhs in the five years,—a more rapid rate than the increase in the Revenue. This increase has been counterbalanced by a great reduction in Public Works. Capital Expenditure on Railways and Canals has almost stopped, and that on Civil Buildings has been brought down to less than half its former amount.

4. Looking a little closer into details, the following are the chief heads of Receipt and Expenditure under which increases took place in the five years of the Contract:—

RECEIPTS.				EXPENDITURE.			
	1881-82	1886-87.	Increase		1881-82.	1886-87.	Increase.
	₹	₹	₹		₹	₹	₹
Land Revenue, including 10 per cent. on Government Estates	1,23,45	1,27,25	3,80	Land Revenue, including charges on Government Estates	31,68	35,35	3,67
Stamps	59,00	66,28	7,28	Excise	1,33	1,96	63
Provincial Rates	35,40	39,17	3,77	Registration	2,72	3,18	46
Registration	4,51	6,05	1,54	General Administration	14,86	15,59	73
Police	5,26	7,06	1,80	Law and Justice	89,93	96,28	6,35
Miscellaneous	4,00	8,18	4,18	Police	41,52	46,82	5,30
				Education	26,83	33,92	7,09
				Scientific and Minor Depts.	2,85	3,52	67
				Superannuation	9,91	13,74	3,83
				Stationery and Printing	10,18	10,98	80
TOTAL			22,37	TOTAL			29,53

5. The principal feature on the receipt side is that of the two heads which had been specially productive in the last Contract, and which were expected to go on improving—Stamps and Excise—the former has continued to expand with the wealth and prosperity of the Province, but the latter has ceased to grow, and at the end of the five-year period stands at the same figure as at the beginning. The increase under Miscellaneous has been mainly due to unclaimed deposits. Further explanations of the causes of increase will be found in Appendix No. VI, and are still more fully stated in the following remarks.

6. To sum up,—the condition of the Province is that it has had rapidly to contract an inflated expenditure on Public Works and that it ends the Contract with a revenue better by 20 lakhs than when it commenced, but with an expenditure (for the most part permanent and inevitable) on the Administrative Departments larger by 28 lakhs than in 1881-82.

7. We now go on to show how far we can suggest reduction of that expenditure, and on what terms we propose that the future Contract commencing on 1st April 1887 should be made.

The Future Provincial Contract with Bengal.

Land Revenue.

LAND REVENUE.

8. *Revenue*.—The Reports of the Board of Revenue give the following account of the demand and collections on account of Land Revenue:—

Statistics of past years.

	1883-84.	1884-85.	1885-86.
	R	R	R
Arrear Balances due	20,40	(a) 22,01	(a) 30,14
Current demand	3,79,40	3,79,88	3,80,33
TOTAL FOR COLLECTION	3,99,80	4,01,89	4,10,47
Collected—Land Revenue Proper	3,72,21	3,67,44	3,80,05
10 per cent. on Government Estates	3,73	3,91	3,87
TOTAL COLLECTIONS	3,75,94	3,71,38	3,83,92
Remitted	1,04	1,25	2,00
Balances carried forward	22,82	29,26	21,56
TOTAL AS ABOVE	3,99,80	4,01,89	4,10,48
Against the total collections thus shown by the Board	3,75,94	3,71,38	3,83,92
The accounts show the following:—			
Ordinary Revenue	3,74,36	3,69,48	3,81,28
Malikana Receipts	1,20	1,16	1,16
Police Service Lands	74	80	78
TOTAL	3,76,30	3,71,44	3,83,12

(a) The reasons for the differences between these amounts and the balances shown as carried forward from the previous year are explained in the Board's Reports; it is unnecessary to repeat these explanations here.

9. The Land Revenue collections in Bengal are extremely regular owing to the operation of the Sale Law in compelling the Zamindars to clear their accounts of all overdue arrears by fixed days, of which one is March 28th. But the figures of the above three years were affected by the fact that the amount of arrears carried forward from 1884-85 to 1885-86 was exceptionally raised by about six lakhs, mainly by the death of the Maharaja of Burdwan. Carrying this six lakhs back, the figures would have stood thus—

	1883-84.	1884-85.	1885-86.
	R	R	R
Demand; see above	3,79,40	3,79,88	3,80,33
Collection	3,75,94	3,77,38	3,77,92
Arrears carried forward	22,82	23,26	24,56

10. It is evident therefore that the standard of collection may be put down at 3,78,00. It was lower than this in 1885-86 only because the remissions and the arrears were each nearly a lakh in excess of the ordinary amounts.

The Future Provincial Contract with Bengal.

Land Revenue.

Miscellaneous items.

11. In addition to the ordinary Land Revenue collections above estimated, there are also the following :—

	1883-84.	1884-85.	1885-86.	1886-87, Budget.
	R	R	R	R
Sale of Government Estates	14	4	16	10
Waste Lands and Redemption	26	15	13	14
Revenue Record Room Receipts	82	83	50	83
Miscellaneous	1,67	1,74	1,76	1,71
TOTAL	2,89	2,76	2,55	2,78

12. The Budget entry for Revenue Record Room receipts is a mistake, the receipts having, since 1st October 1885, been collected by stamps. The other items come in the four years' figures to 2,07; 1,93; 2,05; 1,95, or, say, two lakhs on the average, so that we may add 2,00 on this account and bring up the total Land Revenue Receipts to 3,80,00. The actuals of the last three years to 1885-86 have been 3,79,19; 3,74,20 and 3,85,68.

13. The separate statement of the ten per cent. collections on Government estates is necessitated by an arrangement by which this amount is yearly set aside out of revenue for particular purposes, viz., $1\frac{1}{2}$ per cent. for roads, 1 per cent. for primary education, and $7\frac{1}{2}$ per cent. for management generally; the operation being carried on thus—

(a) The amount is separately credited as a Provincial receipt, ninety per cent. only of the total being credited as ordinary Land Revenue.

(b) Provincial is charged as follows :—

	Per cent.
(1) Payment made to District Road Fund quarterly, through the head of Contributions	$1\frac{1}{2}$
(2) Charges under the head of Education, "Grants-in-aid," being however only part of the general charge	1
(3) Grant under Land Revenue, Management of Estates, administered by the Board of Revenue	$7\frac{1}{2}$

14. We presume that this arrangement will continue in the future, and we reckon therefore that out of the total Land Revenue of 3,80,00, 3,76,13 is divisible in the fixed proportions and 3,87 is purely Provincial, being the ten per cent. just noticed.

Collectors and Establishments.

15. *Expenditure.*—The figures of the last three years for Collectors and their Establishments have

been as follows :—

	1883-84.	1884-85.	1885-86.	Budget, 1886-87.
	R	R	R	R
Salaries	12,96	12,80	13,11	13,24
Establishment, excluding Record Room	8,07	8,37	8,60	8,49
Contingencies, including Record Room establishment	3,68	3,78	3,78	3,65
Process Service	1,71	1,73	1,75	1,70
TOTAL	26,37	26,68	27,24	27,08

The Future Provincial Contract with Bengal.

Land Revenue.

16. The high figure of 1885-86 was due to the facts that a smaller number than usual of officers were on leave, and that a new third grade Collectorate was created to provide for the appointment of Director of Agriculture. Our remarks on this officer will be found under the head of Settlement (paragraph 24). The establishments also have been increasing, and it seems doubtful if the provision in the Budget is enough. But the whole question of the revenue establishments has recently been the subject of careful enquiry by a special Commission, and we may hope that the amount will be kept within the estimate. Part of the increase is in a class of establishment which is directly paid for by special receipts, and does not therefore, properly speaking, represent expenditure of Government. Under these circumstances we take the Budget Estimate figure under this head.

17. The surveys carried on in Bengal are of two kinds, professional and non-professional. Under the latter head comes some work in Midnapore which has already been closed, the only provision in this year's Budget being 3 for the pay of the Assistant Superintendent and his establishment for three months, and 14 for the survey of Ghatwali lands in Manbhoom and Bancoora. Manbhoom is finished and Bancoora will be completed in another year. The work appears to have been of very doubtful utility, and we understand that the Bengal Government do not desire to continue it on this system, but would prefer to have all surveys of any considerable areas executed by professional officers. We do not think it necessary to make any provision for future expenditure on this class of work.

18. Professional survey has been carried on during the past and current years in Mozufferpore on the Cadastral system. There has been a mistake in the Budget, whereby provision has been made twice over for the cadastral Party, which was estimated to cost 1,50 or 1,60, besides 12 for maps, as well as provision for a Settlement Party, costing 87. The actual expenditure for the year ending 30th June 1886 was 1,34 or about 8 annas per acre surveyed. Under the orders of the Secretary of State this survey is to be stopped. If these orders are insisted on, and no similar work undertaken elsewhere, there will be no need for providing any money under the Survey head in the future Contract. The Bengal Government are in correspondence with the Government of India on the subject, and we only remark here that if the outcome of this discussion is that any fresh cadastral survey is sanctioned, it must be provided for by a special grant.

19. There are several large Government estates, of an aggregate area exceeding 5,500 square miles, as shown in the margin, which we understand the Board of Revenue consider should be professionally surveyed within the next five years. They will probably afford occupation to a full Survey Party for that length of time, at a cost of about two lakhs of rupees per annum. We therefore provide 50 as the future Provincial share, on the understanding that the grant will not be given unless it is utilised for this purpose.

Survey of Government estates.		Square miles.
Angul	:	900
Banki	:	120
Jalpaiguri Dooars	:	1,900
Chittagong	:	2,567
Pittaspore in Midnapore	:	75
TOTAL	:	5 562

20. It has been determined to re-survey the City of Calcutta at an estimated cost of ₹1,10,000, of which the Municipality is to pay ₹58,650 at the rate of ₹10,000 per square mile, the balance being shared between Imperial and Provincial. The

Calcutta survey.

The Future Provincial Contract with Bengal.

Land Revenue.

division of so small a sum seems unnecessary, however, and we therefore provide R10,000 as Provincial expenditure for each year of the Contract. As the arrangement has recently been sanctioned by the Government of India, we refrain from commenting on the cost, which seems excessive for the survey of only six square miles.

21. There are in progress Settlements (original or revised) of Government estates scattered all over the Province, most of which are small. The work is generally done by the ordinary district officials (Deputy Collectors and Sub-Deputies) with special establishments of Amins and Moharrirs. The Board's reports furnish the following information :—

YEAR.	Settlement. Expenditure.	Number of estates settled.	Revenue assessed.	Increase.
			R	R
1881-82	1,72	620	1,96,000	60,000
1882-83	1,33	796	1,68,000	25,000
1883-84	79	611	2,43,000	56,000
1884-85	82			
1885-86	63			
1886-87	1,23			

22. The Board have frequently remarked on the imperfect and unsatisfactory way in which these Settlements are conducted by officers, who have had no special training and who work on no uniform principle. The result has been that the work has been slowly and expensively carried out, and that Government has been involved in much litigation, the circumstances of some of which, such as that respecting the Khurda estate in Orissa and the Majnamuta and Jalamuta estates in Midnapore, have attained considerable notoriety. It is expected that, if the work is placed under the charge of the Director of Agriculture, a considerable improvement in efficiency will be achieved.

23. The increase in the estimate for the current year is due to provision for the re-settlement of the large Banki estate in Cuttack. We understand that this will not be undertaken, but that the Angul estate will be begun and will cost as much. It is difficult to make provision in the Contract for an expenditure which varies so much from year to year. In the report for 1885-86 the Board state that 1,535 estates, with an estimated assessment of R5,00,000, remain for settlement. An attempt has been made to supply us with a forecast of the expenditure on settlements which will fall in during the next five years: the information is not complete, but it is anticipated that there will be about 300 large estates to settle, with a revenue of about R3,70,000, at a cost of about R4,43,000. The principal item in the cost is the settlement of the Banki and Angul estates, which is estimated at R3,50,000. The area of these estates is 120 and 900 square miles respectively, and is important enough to justify the employment of a special trained officer for its supervision. In the prospect of this large but remunerative expenditure, we think a sum equal to the figure of the present year (1,20) should be provided.

24. The cost (24) of the Director of Agriculture (whose present pay is R1,800 as a Collector of the second grade) and of his two Assistants (who are of the Deputy Collector grade), is entered under the Land Revenue head; his establishment

The Agricultural Department, its continued maintenance recommended.

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(12) and a grant for agricultural experiments (12) are charged under Scientific and Minor Departments; so the total cost of the Department is 48. We have received a special reference on this subject from the Government of India, and shall submit a separate and detailed reply to it (a), but as particular mention is made in that reference of the Agricultural Department as being less demonstrably useful in Bengal than in other Provinces, we may say here that we do not find ourselves able to advocate the abolition of the Department. If the Cadastral Survey in Mozufferpore is continued, such a step could not be thought of; but even if it is discontinued, we find that there are strong arguments for carrying out a Cadastral Survey and for keeping up an accurate Record of Rights in the extensive Government estates, and also valid arguments, though not perhaps so strong, for similar work in the Wards' estates. Several instances have been adduced illustrating the abuses and the loss of Government Revenue arising from the want of maps and records. Besides the large and numerous Government estates now under settlement, there are two immense tracts in the Jalpaiguri and Chittagong Districts, respectively 1,900 and 2,500 square miles in area, the Settlements of which will shortly expire, and which ought to be surveyed and settled on scientific methods, under an expert, unless Government desires to deal with its Bengal estates in a way which would not be allowed in any other Province. In the year 1896 the Settlement of the Orissa Division will begin to fall in, and a great increase to the Land Revenue is expected from its revision, for which preparation should be made and officers should be trained for some years beforehand, so that the new assessments may take effect without delay. In short, the Government interests involved in this question are so large that we are satisfied that the cost of maintaining the Department will be abundantly recouped by the effect it will have on the increase of the Land Revenue.

Other Charges.

25. The Other Charges comprise the following:—

	1883-84.	1884-85.	1885-86.	1886-87, Budget.
Sub-divisional Establishments	1,11	1,12	1,23(b)	1,19
Management of Government Estates	2,88	2,75	2,89	3,57
Malikana	88	1,56	1,40	1,68
Rents, Rates, and Petty Construction	2	1	2	1
TOTAL	4,89	5,44	5,54	6,45

26. Under the second head the Budget seems always to be placed very high. As the amount should be only three quarters of the receipts (as explained in paragraph 13 above), it is sufficient to take three quarters of 3,87 or 2,90 only. The Malikana is a mere refund of revenue received (part of it being separately credited under the same designation) and should be taken at the actual amount payable,—that is, for the present at 1,68.

27. The other charges therefore come in all to 5,78.

SALT.

28. *Revenue.*—The Provincial Salt Revenue consists of Rents of Warehouses, Fines and Forfeitures, and Miscellaneous. The first head is the most important. It represents the receipts from bonding warehouses. These have decreased since the early

(a) This had not been done when the Committee dissolved.

(b) We understand that in the final accounts a part of this charge will be transferred to Excise, thus bringing the total down to that of 1884-85 or thereabouts.

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part of 1883 in consequence of the general depression of trade, which has led to importers allowing their ships to lie in harbour, for months together, with their salt cargoes on board, rather than bond the salt and so clear the ships for the reception of homeward cargoes at the low rates of freight which have prevailed. A rise in freights, consequent on the revival of trade, would no doubt raise the receipts from this source to their old average. The figures since 1881-82 are—1,65; 1,00; 1,25 and 1,01. The Budget figure is 1,20, which is about the average of the last four years, and has been taken.

29. *Expenditure.*—This has been as follows: 18, 18, 21 and 18. The Budget provision is 19. Considerable modifications will be needed, and have been partially made, in the Provincial Salt establishments in consequence of the transfer of the Orissa Salt administration to the Madras Salt Department. It is, therefore, necessary to examine the details of the Budget provision, which are as follows:—

DIVISION OR DISTRICT.	ESTABLISHMENTS.		Contingencies.	TOTAL.	Committee's Estimate.
	No.	Annual Cost.			
		R	R	R	R
Orissa	11	5,980(a)	1,545	7,525	...
Chittagong	23	3,060(b)	2,500	5,560	5,560
Burdwan . . . . .	...	...	500	500	500
Presidency	2	792	750	1,542	750
Calcutta	20	2,530	2,283	4,813	4,863
Dacca . . . . .	...	...	200	200	200
TOTAL . . . . .	...	...	...	20,190	11,873
DEDUCT—Probable Savings . . . . .	...	...	...	1,190	873
	...	...	...	19,000	11,000

(a) Including an Inspector on R150 per mensem.

(b) Including two Intendants costing R1,320 per annum.

30. The Orissa establishments can be dispensed with in consequence of the transfer of the Salt administration of Orissa to the Madras Salt Department. They have, in fact, already been discharged or transferred to other duties. The Chittagong establishment appertains to the Salt bonding warehouse at that port. Provision is made under Contingencies for the up-keep of the buildings. The Calcutta establishments are separately noticed under the head of Customs (*vide* paragraph 70). R1,650 are provided under Contingencies for scales and weights for use in the weighment of salt by the Customs officers.

31. One Salt clerk apiece is allowed in the districts of Khoolna and of the 24-Pergunnahs in the Presidency Division. We have no information as to the duties on which the Khoolna clerk is employed. It is difficult to suppose that he can be needed. The 24-Pergunnahs clerk was formerly required on account of a small local manufacture of salt. This ceased, however, in 1881-82, and the stock on hand has since been disposed of. The abolition of the appointment was the subject of a correspondence between the Board and the Commissioner as far back as May last,—we have not heard with what result. Its retention cannot, we consider, be needed.

32. The remaining expenditure is mostly on rewards to informers and on official postage for the transmission of periodical returns.

Rewards, &c.

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Stamps.

33. The Bengal Civil Estimates contain a provision of R40,000 under Imperial, which appears to be on account of Salt establishments in Orissa. We may note here that, as the Orissa Salt administration has been transferred to Madras, it will not be necessary to repeat any part of this provision. Whatever expenditure may still be required should appear in the Madras Estimates.

STAMPS.

34. *Revenue.*—The Stamp revenue has steadily increased as shown below :—

Items.	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.
General Stamps	32,50	32,65	32,88	33,71	33,75	34,60
Court-fee Stamps	85,43	86,93	90,32	93,61	95,09	95,30
Plain paper for use with Court-fee Stamps	1,53	1,61	1,62	1,69	1,73	1,70
Impressing documents	24	48	69	51	1,67	50
Fines and penalties	32	38	31	34	30	33
Miscellaneous	8	8	5	2	4	13
TOTAL	1,20,24	1,22,13	1,25,77	1,29,91	1,32,58	1,32,56

35. The increase in 1885-86 under "Duty on impressing documents" was almost entirely due to a single item of receipt on account of the probate of a will. Even allowing for this, it is clear that the Budget Estimate may safely be taken, pending the receipt of the Revised.

36. *Expenditure.*—The charges under Stamps have been as under :—

Items.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.	Committee's proposal.
Superintendence—						
Salary	19	16	16	...	18	5
Establishment	41	41	42	...	41	36
Contingencies	10	13	19	...	15	15
Total	70	70	77	78	74	66
Sale of General Stamps—						
Establishment	8	4	1	...	1	1
Discount	71	73	76	...	78	78
Miscellaneous	8	7	6	...	4	4
Total	87	84	83	83	83	83
Sale of Court-fee Stamps	1,16	1,19	1,21	1,25	1,21	1,21
Discount on plain paper	10	10	11	11	11	11
Stamp paper supplied from Central Stores	1,45	1,68	1,75	1,95	2,11	2,11
GRAND TOTAL	4,28	4,41	4,67	4,92	5,00	4,82

37. The Superintendent of Stamps is also Superintendent of Stationery, but the whole of his salary of R1,500 per mensem is charged to Stamps. He has a Head Assistant on R300 rising to R400^(a) and a Store-keeper on R500 rising to R700. The latter officer gives security amounting to two lakhs of rupees. Both the Head Assistant and the Store-keeper work both in the Stamps and in the Stationery Departments.

(a) Besides allowances of R200 per mensem for supervision of the Form Store Department, and of R50 per mensem as conveyance allowance for visiting the Jail Press.

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38. The subjoined statement compares the monthly expenditure in the cities of Calcutta and Bombay on account of the supervision of Land Revenue, Customs, Stamps, Excise and Assessed Taxes:—

Cost of supervision in the Revenue Departments in Calcutta and Bombay, compared.

Items.	Calcutta.	Bombay.
	R	R
Collector of Customs	2,000	2,000
Superintendent of Stamps and Stationery	1,500	} 2,500
Collector	1,000 (a)	
Additional for Income Tax	500 (b)	
TOTAL	5,000	4,750

39. The Collector of Bombay is already Superintendent of Stamps and Stationery, and in paragraphs 16-18 of Chapter VI of this Volume we have proposed that he should also discharge the duty of Collector of Customs.

The appointments of Superintendent of Stamps and Stationery and of Collector of Customs to be amalgamated.

The case of Calcutta is somewhat different. There is no Commissioner of Customs, as in Bombay; and the Collector discharges duties in respect to the registration of the Trade Returns and to the periodical review of the course of Trade, of which the Bombay Collector is relieved by the Commissioner. The Calcutta Superintendent of Stamps and Stationery is charged with the supply of the whole of India except the Bombay and Madras Presidencies, Berar, and part of the Central Provinces. It appears to us doubtful, therefore, whether in Calcutta one officer could discharge the amalgamated duties which are now discharged by three, and which in Bombay are now performed by two, but which we have proposed should in future there be entrusted to one; but we can see no reason why, if the Collector of Calcutta (Abkaree Superintendent) is maintained for the discharge of his present duties, one officer should not undertake the supervision both of Customs and of Stamps and Stationery.

40. If our proposal is accepted (and we understand that it is approved by the Lieutenant-Governor), the head of the Department will be present in the Stamp Office for

The Head Assistant in the Stamp and Stationery Office.

an hour or two only every day, instead of continuously during office hours. This will throw greater responsibility on the Head Assistant, but the present officer, who draws a salary of R600, ought, we think, to fill the post satisfactorily. The Lieutenant-Governor would, however, prefer to appoint to the post an official of a higher class on R1,000.

41. The effect of these proposals will be to reduce the provision under Salaries, to which head the Head Assistant's pay should be transferred, to 5, and that under Estab-

Saving by these proposals.

lishment to 36 (R40,668—4,800=35,868).

42. The pay of, and the amount of the security to be given by, the Store-

The pay of, and security given by, the store-keeper.

keeper having been settled so recently as 1884, it is perhaps not desirable to re-open these questions at present. The amount of security required necessarily affects the amount of pay which must be given, for the investment of money in Government paper, in order to the furnishing of security to Government, must bring in to the owner a lower rate of interest than his money could earn, if employed in other ways. The security now required of the Store-keeper seems to us larger than is necessary under proper arrangements for the retention

(a) An Uncovenanted Officer shown in the Estimates under Excise as Abkaree Superintendent.

(b) To be reduced to R300 on the completion of the first assessments, vide paragraph 101.

(c) We have assumed, in paragraph 49 of chapter VI of this Volume, that this allowance will shortly be withdrawn, together with the equal allowance granted to one of the Presidency Magistrates as Joint Commissioner of Income Tax for the City of Bombay.

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of the bulk of the stores in the personal custody of the Superintendent or under the joint custody of the Head Assistant. The Bombay Store-keeper, who is classed among the establishment of the Stamp Office, receives R300 per mensem only, though salaries in Bombay are on the average on a much higher scale than elsewhere in India. On the occurrence of a vacancy, therefore, in the appointment of Store-keeper in the Calcutta Stamp Office, we recommend the reconsideration of the pay attached to the office and of the security required from its incumbent.

43. The establishment consists, according to the estimates, of 52 clerks; but according to a list, furnished to us in reply to one of our questions, the number is 53. The rates of pay average R40 per mensem, which appears reasonable. In the connected Stationery Office there are 72 clerks on average salaries of R43. There are therefore altogether 124 (or 125) clerks. In the Bombay offices the clerks are on the average somewhat better paid, but their total number is 41 only. No doubt the work of the Calcutta offices is much heavier than that of the Bombay offices, but we cannot but think that, with a suitable organisation, there is considerable scope for economy. We think that the subject should be enquired into by some officer of experience in the organisation of office establishments.

44. The rates of discount allowed upon the sale of Court-fee Stamps compare as follows with those of other Provinces:—

Discount on Sales,—			
Bengal	1 $\frac{2}{10}$ per cent.	Madras	1 per cent.
North-Western Provinces, none.		Bombay	2
Punjab	1 $\frac{2}{10}$ per cent.		"

45. We considered the rates in Bombay very high, and we doubt also whether, in the case of Bengal, so high a rate as 1 $\frac{2}{10}$ per cent. is necessary, where the sales are sufficient to give the licensed vendors a fair remuneration. In Bengal discount is given on all values of stamps up to R75, whereas in all other Provinces (except Assam, where the rules are modelled upon the Bengal system) the limit is R50. We would make for Bengal the same suggestion as we made for Bombay, *viz.*, that the discount, if maintained at the present rate, should be limited to the values of stamps in ordinary use. The consumption of the one-anna, four-anna, and eight-anna values exhausts the greater part of the work that vendors have to do, and if only these, or perhaps a few other values also, were sold through vendors, the sale of the remaining and only-occasionally-used values might be arranged for, without more inconvenience than the public have at present to undergo, by a system which would not involve the loss of 1 $\frac{2}{10}$ per cent. of the value.

46. An allowance of R150 per mensem, as remuneration for the sale of Stamp Vendor in Presidency Small Cause Court. stamps, is drawn by the Treasurer of the Presidency Small Cause Court, in addition to his pay of R200 as Treasurer. We have dealt with this under the head of Law and Justice, to which the charge is debited (*vide* paragraph 165).

47. The establishments employed in the Mofussil for the sale of Stamps are as follows:—

District.	Darogahs.	Moharrirs.
Patna	1 on R 20—40	1 on R 15
Dacca	1 " " 30—50	1 " " 30
24-Pergunnahs	...	1 " " 20—40
Jessore	...	

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Fixed commission (in two instances at R10 and in two at R2) is also paid to four vendors in different districts, some of whom appear to be the Nazirs of outlying Munsiffs' courts.

48. Enquiries in the office of the Board of Revenue have failed to elicit the reasons for the employment of the Patna and Dacca establishments. Those in the 24-Pergunnahs and Jessore were formerly charged under Land Revenue and escaped our notice until quite recently. We think that the necessity for the employment of all these establishments should be re-examined. If no special stamp establishments are required in the other forty districts of the Province, it is difficult to see why they should be needed in these four. As regards the

The necessity for, should be re-examined.
The principles which should regulate the grant of additional pay to public officers for such additional duties as the sale of stamps.

sale of stamps by the Nazirs of Munsiffs' courts, we remark that in some Provinces the sale of stamps is a recognised duty of the ministerial establishments of the courts. We understand that this system was formerly in force in Bengal, and that the court establishments were relieved of the duty, only because it was represented that the work was so heavy as to need separate provision. But where the sale is so small that the ordinary discount does not afford adequate remuneration to a licensed vendor and an officer of the court has, therefore, been required to assume the work, it may fairly be inferred that the work of the court must be so light that the Nazir has ample leisure to attend to the sale of stamps without interference with his other duties. There can, therefore, be no need to grant him additional remuneration. The matter may appear trifling, but we notice it because the practice appears to be gaining ground of allowing officers additional remuneration for every little increase of work, which they are required to undertake. In our opinion, the grant of such additional allowances is altogether opposed to the principles on which the public service should be conducted. Officers are paid by Government for their whole time, and, except under very peculiar circumstances, additional remuneration should not be allowed to them for any functions, cognate to the ordinary duties of their offices, which Government may think fit to impose upon them.

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49. The Revenue and Expenditure are as follows:—

Revenue.

HEADS AND ITEMS.	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.
<i>License and distillery fees and duties for the sale of liquors and drugs.</i>	R	R	R	R	R	R
License fees	53,65,338	61,25,564	66,09,857	63,59,436	58,21,080	61,69,000
Distillery fees	18,769	18,267	17,850	17,779	32,062	42,000
Still-head duty	9,63,191	10,50,067	10,52,781	9,66,111	10,85,454	9,09,000
Farm of drugs	9,73,550	10,81,862	11,46,601	11,42,401	11,62,551	11,36,000
Rent of toddy trees	868	983	725	973	1,366	1,000
Total	79,22,016	82,76,813	88,27,844	84,86,700	90,43,113	82,57,000
Sale proceeds of excise opium	14,47,166	15,06,551	15,92,417	15,60,270	15,35,114	15,37,000
Fines, confiscations, and miscellaneous	4,743	5,572	5,131	5,251	6,467	6,000
Total	93,73,925	97,88,936	1,04,25,392	1,00,52,221	95,84,694	98,00,000

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Expenditure.

HEADS AND ITEMS.	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.
COLLECTORS', COMMISSIONERS', AND CANTONMENT MAGISTRATES' ESTAB- LISHMENTS.						
<i>Salaries.</i>						
Abkaree Superintendent, Calcutta	12,000	14,702	12,000	7,153	10,800	12,000
Deputy Collectors . . . . .	...	...	...	...	4,850	27,000
Sub-Deputy Collectors . . . . .	...	...	...	...	4,900	14,400 (a)
Total	12,000	14,702	12,000	7,153	20,550	53,400
<i>Establishment.</i>						
Office establishment	20,217	39,174	61,037 (b)	59,406	40,116	40,506
Establishment of the Calcutta Collec- torate . . . . .	...	...		27,110	44,912	43,260
Distillery establishment	1,24,950	23,162		17,320	20,830	23,770
District ditto	66,698	1,53,532	1,12,915	1,22,100	1,22,204	1,11,540
Total	2,20,865	2,15,868	2,20,754	2,33,075	2,37,062	3,02,175
Contingencies	23,126	24,123	23,663	27,691	33,540	12,875
Travelling expenses	11,713	13,215	13,571	20,539	21,680	23,263
Add for rounding . . . . .	...	...	...	...	...	3,91,713 287
Total	2,73,004	2,67,016	2,72,293	2,88,623	3,12,850	3,82,000

(a) This includes Rs12,000 on account of the salaries of eight Sub-Deputy Collectors lately appointed which is shown in the Civil Estimates, together with the sum of Rs19,000 in the margin of the page, as "Additional expenditure estimated by the Government of Bengal for reforms recommended by the Excise Commission."

(b) The charges of the Calcutta Collectorate Establishment were transferred to Excise from 1883-84.

50. *Revenue.*—The Bengal Excise revenue expanded with great rapidity during the period of the previous Contract. At the time the terms of the current Contract were under discussion, the Local Government pointed out the probability of a reaction in the event of unfavourable seasons, such as those of 1883-85 turned out to be, with the effect on the collections disclosed by the above figures. If there were no other causes in operation and likely to affect the Excise revenue, it might be anticipated that, with the return of favourable agricultural seasons, it would at least revive, even if it did not continue to expand with its former elasticity.

51. In the meantime, however, the Bengal Government saw reason to doubt whether the enhancement of the Excise revenue was not, at least to some extent, due to an increase of drunkenness among the people, which was promoted by the nature of the arrangements under which the Excise revenue was raised. In some quarters it was strongly maintained that this was the case; in others, while it was admitted that the licit consumption of intoxicants had increased, it was held with equal confidence that the total consumption was unaltered, or that, if increased, it had increased as a natural result of the improvement in the general condition of the people, not by reason of any of the modifications which had been from time to time made in the system, under which the Excise Department was administered, and the manufacture and sale of intoxicants regulated.

52. The Commission appointed by the Bengal Government to enquire into the matter reported in the latter part of 1884. Their chief recommendations were that the sudder distillery system should replace the out-still system in all large towns; that

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where the out-still system was still maintained, the capacities of the stills and fermenting vats should be restricted so as to prevent undue competition with the sudder distilleries; that *minima* prices should be fixed for the sale of country spirits; that the hours of manufacture and vend should be restricted; and that the inspecting and detective staff of the Département should be largely increased.

53. Some progress has already been made towards carrying these re-commendations into effect. Sudder distilleries have been reopened in all the districts of the Patna and Orissa Divisions, except Mozufferpore, and in the Burdwan, Moorsshedabad, Dacca, Monghyr, Bhágalpur, and Hazáribágh districts. A sudder distillery is also to be established next year at Mozufferpore. The proper limit to be fixed in each district for the size of the stills, and the upset prices at which the stills should then be put up to sale, are matters, which can only be determined by detailed local enquiry. Considerable difficulty being anticipated in disposing of them, the system of limiting the size of the stills has for the present been experimentally introduced in the Patna district only. The question of the restriction of the capacity of the fermenting vessels is still under enquiry. The prescription of *minima* prices is a proposal which has met with much criticism. The plan is for the present being tried only in the Patna district.

51. The effect of these measures on the revenue of 1885-86 was not great, the arrangements for that year having to a large extent been completed before they took effect. There was a heavy fall of revenue in 1884-85 and again in 1885-86, but it is considered to have been due to unfavourable seasons and to distress arising from floods, especially in Behar and Northern Bengal, and also to the fact that in 1881-85 and 1885-86 there were no auspicious days for Native marriages,—a circumstance which would, however, only affect Behar. The settlement of out-stills for 1886-87 was somewhat more favourable than that for 1885-86, contrary to what might have been anticipated. The estimate under the head of Still-head duty decreased from 10,85 in 1885-86 to 9,09 in the Budget of 1886-87.

Recent improvement and latest estimate. Exactly the opposite result might have been expected from the re-introduction of sudder distilleries in the place of out-stills in the populous neighbourhoods above mentioned. The grounds on which the estimate was based cannot be ascertained. It would appear to have been a mistake. On the whole, however, so far as can at present be seen, the Budget Estimate for 1886-87 was fairly accurate. The receipts from April to October compare as follows with those of the same period in previous years:—

1880-81.	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.
50,10	56,00	57,49	62,39	61,46	57,55	59,81

The details up to the end of September are shown in the margin, in comparison with those of the preceding year. The receipts of the last five months of 1885-86 were 38,30. Should the collections improve in the last five months of the current year in the same proportion as they have done in the first seven months, they will amount to 40,34; and the whole Excise revenue of the year will be 1,00,15. It appears safe therefore to take the revenue at 1,00,00 pending the Revised Estimate.

	1885-86.	1886-87.
License fees .	31,55	31,72
Distillery „	15	28
Still-head duty	5,09	6,40
Farms of drugs	5,53	6,08
Excise opium	7,46	7,94
Fines, &c.	3	4
TOTAL	49,81	52,46

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55. *Expenditure*.—At the time the Budget was prepared the exact strength of the additional Excise establishments to be entertained had not been determined; and a lump provision was therefore made to admit of their expansion, as above shown (paragraph 49). The following is a brief statement of the additions which have been made to the Excise establishments up to date:—

- i. Nine Special Deputy Collectors were appointed in 1885-86 for exclusive employment on Excise duty in the districts noted in the margin, on the following salaries: one on R400, two on R300, one on R250, and five on R200,—total R2,250 per mensem, or R27,000 per annum.

Deputy Collectors.	
24-Pergunnahs.	Monghyr.
Dacca.	Gya.
Moorshedabad.	Sarun.
Burdwan.	Chumparan.
Bhágálpur.	

- ii. Nine Additional Sub-Deputy Collectors were also appointed in the same year, and two more in the current year,—total eleven,—for the special duty of supervising the sudder distilleries in six districts in the Patna Division and in Burdwan, Moorshedabad, Dacca, Monghyr, and Bhágálpur. Three of these officers draw R150, and eight R100, each. The total annual cost of their entertainment is R15,000. They are aided by subordinate clerical and guarding establishments, the total annual mean cost of which is R9,666.

Sub-Deputy Collectors.

- iii. Throughout the Province a district inspecting and detective agency has been organised in lieu of the Divisional Inspectors and Sub-Inspectors formerly employed. The strength of these establishments varies according to the locality. They usually consist of an Inspector on R50 to R100, or of a Sub-Inspector on R30 to R50, with, in either case, two or three peons. Their total cost amounts to R4,196 per mensem, not including the special establishment maintained in Rajshahiye for the supervision of *ganja* cultivation at a monthly cost of R485, which is classed under Executive establishments. The establishments formerly employed cost R2,054-8 per mensem. There has therefore been an increase of R2,141-8 per mensem, or R25,698 per annum, under this head.

Inspecting and detective agency.

- iv. The Executive and Sudder Office establishments have also been revised, and, where necessary, strengthened at an aggregate additional monthly cost of R1,271-8-8. The Executive establishment is that, which is charged with the collections, where the monthly and other payments of licensees cannot be paid direct into a Treasury; which assists in the settlement of the shops; and which is in charge of the *ganja* warehouses and other miscellaneous duties.

Executive and office establishments.

56. In 1884, before the Excise Commission sat, the establishments cost altogether R17,019 per mensem, or R2,04,228 per annum. Their present total cost is R23,451 per mensem, or (including the R27,000 for Deputy Collectors mentioned above) R3,08,412 per annum. The expenditure under this head has therefore increased by the sum of R1,04,184 per annum. On the other hand, a decrease of about 20, as compared with 1885-86, appears in the Budget under the head of Contingencies, but as 12 of this decrease is due to an accidental omission to provide in the Budget for the contract contingencies of the Calcutta

Net increase of cost.

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Provincial Rates.

Collectorate, the actual decrease is only 8. Its effect is to reduce the additional expenditure recently sanctioned to about '96 in excess of the former standard.

57. It appears to us that the division of the district establishments into the executive, the office, and the inspecting and detective branches must tend unnecessarily to increase the total cost. There is no doubt, however, that judicious expenditure on the administration of the Excise Department is highly remunerative; and we therefore take the Budget provision, *plus* 12 accidentally omitted, as the Contract figure. Now that the subject has attracted, and is receiving, the attention which it merits, it is more likely, we think, that the expenditure will increase than that it will diminish. In other Provinces it has been found profitable to appoint Commissioners of Excise, whose sole duty it is to control the Excise administration, with the view both of increasing the revenue and of so regulating the consumption of intoxicants that it may be as little as possible injurious to the well-being of the people. It appears to us that the creation of such an appointment would be advantageous in Bengal also. The Bengal Excise revenue is absolutely large; but, compared with that of Bombay or of Madras, it is relatively small. There would appear therefore to be scope for development. This is not the place for a detailed examination of the difficult and complicated question of Excise administration. We may, however, remark that the Bengal Government has not sought to apply any of those newer methods of Excise administration, which in the Bombay and Madras Presidencies have so greatly improved the revenue, while at the same time they decreased the consumption of intoxicants. We propose, (a) if time permits, to return to the subject and to deal with it more fully in a separate Note.

PROVINCIAL RATES.

58. *Revenue*.—The principal receipt under this head is the Public Works Cess, of which the revenue has since 1882-83 been 35,51; 37,56; 36,97; and 38,04. The Budget for 1886-87 gives 37,97. The variations are not great, and we may take the Budget figure. The steady increase is due to re-valuations and re-assessments, now nearly complete. The charges of collection are paid by way of a contribution to the District Road Fund, which collects both its own and the Provincial cess.

59. Besides this cess, the only other item accruing to Provincial under this head is a levy upon estates under the Court of Wards. This is in two parts,—first a general rate, intended to pay charges for establishment, which are shown under Administration and are stated in the Estimates of 1886-87 at Rs59,891, the actuals of past years being Rs51,000 or Rs52,000. These charges represent the clerical establishments only, namely, those employed in the offices of the Board of Revenue, of the Commissioners and of the Collectors; and the charges being thus limited, the Government has aimed at limiting the total proceeds of the rate to this figure. Accordingly, when recently two or three very large estates came under the Court of Wards, and the percentage rate produced a revenue of Rs66,000 (in the Budget of 1886-87), orders were issued to reduce the rate so as to produce only an income equal to the charge.

60. A second rate of four annas per cent. is taken as a contribution towards the cost of Treasury establishments, upon which, when an estate comes under the Court of Wards, extra work is necessarily thrown. The ordinary income from this rate is Rs13,000, but the causes just referred to have raised it temporarily to Rs24,000.

(a) This intention was not carried out before the Committee dissolved.

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Provincial Rates.

61. It will be seen from the above that these estates pay nothing whatever towards the cost of the superior officers, Collectors, Commissioners, and Board of Revenue, engaged in their management, though a very considerable portion of the time of these officers is occupied with Wards' work. A recently-published statement (*vide Gazette of India*, 16th January 1886) shows that fully one-eighth of the time of these officers (often as much as a fourth, or even more) is given to matters connected with Wards' Estates.

62. Now, it is certain that the land revenue of these estates is perfectly secure without bringing them under the Court of Wards; that is to say, it could at any time be realised by the sale of the estates. It is not therefore for the security of the revenue, but in the interest of the minor (to prevent dissipation of the estate) and in the interest of the good management of the estate itself, that charge of it is taken by the Court. And it is notorious that the result of management by the Court of Wards is in most cases a great, and in some cases an enormous, increase in the personal wealth of the proprietor. It seems to us not only not unfair that the estates should pay their proportion of the cost of the officers thus occupied in their management; but most reasonable that, in the interest of the general tax-payer, they should be called upon to do so. The Secretary of State raised the question in 1879 (*vide* the papers last quoted), and though the proposal was dropped, this seems to have been less by reason of its being unacceptable in itself, than because the discussion of it by the Board of Revenue eventuated in a proposal for a special paid management, outside the ordinary work of the Revenue Officers of Government. We concur in the objections made to this form of the proposal, but we think that the question should again be opened, whether a properly-regulated contribution out of the revenues of the estates should not be paid to Government in respect of the services of the Revenue Officers; and the Government of Bengal is also prepared to re-discuss the question.

Estimate of the amount which should be paid.

63. The amount which should be paid by the Wards' Estates may approximately thus be calculated—

	Annual Cost.
	Rs
1 Member of the Board of Revenue	48,000
1 Secretary of the Board of Revenue	30,000
9 Commissioners of Divisions	3,10,000
36 Collectors of Districts	8,37,000
8 Deputy Commissioners	1,52,000
TOTAL	13,77,000

64. One-eighth of this is Rs1,72,000; and we suggest that this amount should be levied from the estates, in addition to the existing establishment rates which aggregate about Rs72,000. The whole demand, Rs2,44,000, comes to only 4 per cent. on the collections of Wards' Estates, though in actual rating the smaller ones would probably be made to pay more and the larger ones less. The particular charges of establishments employed upon and belonging to individual estates are of course directly charged to the estates themselves, and are outside the question of charge for the employment of the time of the officers above named. We deal separately with the question of the cost of the Legal Remembrancer's services (*vide* paragraph 154).

65. We cannot, pending the settlement of this question, assume in the new Contract any higher rate of levy than Rs72,000, the amount of existing rates.

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Customs.

CUSTOMS.

66. *Revenue (Provincial).*—The Provincial Customs Revenue consists of warehouse and wharf rents; of fees for the registration of cargo boats and for the attendance of preventive officers on holidays and after the usual hours and for longer periods, and in larger numbers at a time, than those for which, under the Customs Act, their services are granted without charge; and of sale proceeds of undervalued goods. The receipts from fees have decreased from 88 in 1881-82 to 51 in 1885-86. The Budget Estimate of 1886-87 is 57, which is taken.

67. A proposal has been made by the Chamber of Commerce to abolish special fees for the attendance of preventive officers on holidays and after hours. If this is accepted, (a) the receipts from this service will be nearly extinguished. Extra work can, however, hardly be required of the Preventive Establishments without extra payment; and we can see no reason whatever why, as the law in fact prescribes, those persons who are inconvenienced by their attendance should not pay for it.

68. *Expenditure.*—The subjoined table exhibits the expenditure under Customs since 1881-82:—

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.
CALCUTTA—						
Salaries	60	38	31	35	34	33
Establishment	1,72	1,37	1,01	1,03	1,03	1,07(b)
Preventive Establishment	3,51	3,00	2,73	2,70	2,73	2,70(c)
Wharf ditto	45	27	23	27	26	27
Miscellaneous	17	13	16	22	14	20(d)
TOTAL	6,45	5,15	4,44	4,57	4,50	4,57
BALASORE—						
Establishment	2.7	2.8	3.1	2.0	2.1	2.8
Preventive Establishment	5.1	5.3	5.0	5.9	5.8	5.3
Miscellaneous . . . . .	.5	.5	1.7	1.5	.4	.7
TOTAL	8.3	8.6	9.8	9.4	8.3	8.8
CHITTAGONG—						
Salaries	7.1	7.2	7.2	7.2	7.2	7.2
Establishment	5.0	4.9	4.7	4.8	4.6	4.8
Preventive Establishment	8.6	8.9	8.8	8.7	8.4	8.3
Wharf Ditto . . . . .	.6	.6	.6	.6	.6	.6
Miscellaneous	1.1	2.0	1.0	1.2	1.2	1.3
TOTAL	22.4	23.6	22.3	22.5	22.0	22.2
CUTTACK—						
Establishment	5.8	5.7	5.6	5.8	5.5	5.8
Preventive Establishment	1.2	1.3	1.2	1.2	1.4	1.3
Miscellaneous . . . . .	.1	.2	.2	.1	.1	.3
TOTAL	7.1	7.2	7.0	7.1	7.0	7.4
DACCA (NARAINGUNGE)	1.0	.9	.7	.7	1.0	.9
POOREE—						
Establishment	1.4	1.4	1.5	1.4	1.4	1.4
Contingencies . . . . .	.2	.4	.2	.3	.3	.3
TOTAL	1.6	1.8	1.7	1.7	1.7	1.7

(a) Since writing this, we have learned that the Lieutenant-Governor has declined to accede to the request of the Chamber of Commerce for reasons similar to those which we have mentioned.

(b) Besides R12,600 under Stationery and Printing.

(c) Besides R2,580 under Salt.

(d) Besides R2,283 under Salt.

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69. After the abolition of the major part of the Customs duties in 1882, the question of reducing the establishments was fully considered, with the result that, as above shown,

The Port of Calcutta.

large reductions were made in the Port of Calcutta, while the establishments maintained at the minor ports were left intact.

Reductions in 1852.

70. The subjoined table compares the former and present strengths of the Calcutta Customs Establishments :—

DESIGNATION.	Former Strength.			Present Strength.		
	No.	R	R	No.	R	R
<i>Salaries.</i>						
Collector	1	3,000		1	2,000	
Deputy Collector	1	1,600		1	...	
Assistant Collector, at R600—1,000	1	1,000	5,600	1	680	2,680
<i>Establishment.</i>						
Appraising establishment—		Mean pay.			Mean pay.	
Appraisers and examining officers	22	6,210		9	2,977	
Clerk	1	62		...	...
Servants	11	66		6	36	
Import Department—						
Superintendent and Deputy Superintendent	2	710		2	637	
Assistants	23	1,265		14	707	
Servants	2	12		2	12	
Bonding Department—						
Supervisor and Assistants	5	715		...	...
Servants	3	18		...	...
Accounts Department—						
Superintendent and Deputy Superintendent	2	700		2	725	
Assistants	10	500		12	625	
Servants	6	38		8	50	
Cash Department—						
Cashier and Deputy Cashier	2	387		2	312	
Assistants	16	545		12	381	
Servants	9	53		9	53	
Export Department—						
Superintendent and Deputy Superintendent	2	700		2	687	
Assistants	12	627		12	614	
Servants	2	13		4	25	
Miscellaneous Department—						
Superintendent and Assistants	7	632		9	616	
Servants	25	180		26	180	
Statistical and Publication Department—(a)						
Superintendent and clerks, &c.	46	2,085		46	2,085	
Servants	3	23	15,566	3	23	9,883
<i>Preventive Establishment.</i>						
Superintendent	1	933		1	933	
Inspectors	6	2,525		8	3,075	
Preventive officers	137	23,750		100	16,050	
Servants	35	220		35	220	
Boat establishment	15(b)	833		150	1,027	
Steam-launch establishment	11	230		14	230	
Steam-launch coal, sundries, &c. . . . .	...	546		...	516	
Whoonoy office establishment	4	51		3	27	
Temporary establishment . . . . .	...	3,192		...	876	
Sulkea Salt Golabs establishment—(c)						
Clerks	2	65		3	89	
Servants	18	122		17	126	
Temporary establishment	6	36	31,406	6	36	23,235
<i>Wharf Establishment.</i>						
Supervisor and Assistant Supervisors	3	725		1	225	
Officers and weighmen	39	2,785		20	1,552	
Servants, &c.	41	255	3,665	18	116	1,893

(a) Half the cost of this Department is now charged under Stationery and Printing.

(b) This is the number of Boats' crews, not of hands,

(c) This establishment is charged to Salt.

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71. The reductions under the head of Salaries need no comment. Those under Establishment were under the Sub-heads of Appraising Establishment, Import Department, and Bonding Department. The Bonding Department appears from the above statement to have been abolished. It is still maintained, however, but has been amalgamated with the Account Department, which will be seen to have been slightly strengthened. Some decrease was effected in the Cash Department. The Export Department remained unaffected, save by some slight changes in the rates of pay, made in pursuance of the general re-grading of the establishments which was effected in connection with the reductions. The Miscellaneous (that is, the Correspondence) Department was apparently somewhat strengthened, but in fact was merely re-arranged to correspond with the number of hands actually employed in it, some of whom had been drawn from other branches. The duties of the Statistical and Publication Department being unaffected by the abolition of the Customs duties, no reduction of its strength was found possible.

72. The expenditure in Calcutta on Customs Salaries and Establishments is much higher than the similar expenditure in Bombay, the trade of which port may be taken as being equal to that of Calcutta. The subjoined statement compares the two ports in these respects :—

Items.	CALCUTTA.		BOMBAY.	
	No.	Cost.	No.	Cost.
		₹		₹
Salaries	2	32,690	4	40,900
Appraising establishment	9	22,212	11	19,000
Clerks and servants	169	97,200(a)	77	27,500
TOTAL	180	1,52,102	92	87,400

(a) Including ₹12,600, being the share of the cost of the Statistical and Publication Department, which is debited in the Accounts under 30, Stationery and Printing.

73. The difference in favour of Calcutta, as regards the numbers shown under the head of Salaries, is partly explained by the fact that one officer (the Import Supervisor, on ₹350 to 550) who exercises the powers of an Assistant Collector, is provided for under Establishment. The Export Supervisor also, on ₹350 rising to ₹450, may be fairly classed with the Bombay Assistant Collectors on ₹350, 450, and 550.

74. On the other hand, in order to make the comparison fair, the following additions should be made to the cost of the Customs Establishments of the port of Bombay :—

	Per annum. ₹
Office of the Reporter General of External Commerce, charged with the preparation of the Trade Returns of the Province, a duty which is discharged by the Calcutta Customs Collector for all the Bengal ports, thirty-four clerks and four servants, costing	18,900
Share of the Central Account Office of thirty clerks and fourteen servants maintained in Bombay, at an annual cost of ₹20,500, for the compilation of the accounts of the Customs, Salt and Opium Departments, say	5,000
	<u>23,900</u>

Customs.

ITEMS.	CALCUTTA.		BOMBAY.	
	No.	Cost.	No.	Cost.
Salaries	4	R 44,690	4	R 40,900
Appraising establishment	9	22,212	11	19,000
Clerks and servants	167	85,200	126	51,400
TOTAL .	180	1,52,102	141	1,11,300

78. The Preventive Establishment of the port of Calcutta is entered in the Budget of 1886-87 as costing 2,70, besides a separate provision of R2,580 under Salt. Its strength and

The Preventive Establishment,—

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cost are shown in detail in the margin. (a) The temporary establishment consists			of Preventive officers from time to time employed,		
(a) 1 Superintendent on R 800 to 1,000			at the discretion of the Superintendent, when the		
1 Inspector " " 450			number of ships in port with dutiable goods on		
7 Inspectors " " 300 to 400			board is too great to admit of their all being served		
2 Officers " " 300			by Preventive officers of the permanent estab-		
4 " " 275			lishment. The temporary officers are borne on a		
6 " " 250			regular roster and are socially men of the same		
6 " " 225			class as the permanent officers. They now number		
10 " " 200			48. They are paid at the rate of R100 a month		
12 " " 175			during the time of their actual employment only.		
16 " " 150			The cost of their employment was 17 in 1884-85,		
24 " " 125			and 19½ in 1885-86. On the other hand, the sums		
20 " " 100			noted in the margin (b) were credited to Government		
109			in those years as fees for the attendance of extra		
53 Clerks and servants per annum	R	4,122	officers and as "demurrage fees,"—that is, as pay-		
150 Boat Establishment per annum		16,281	ment under Section 71 of the Sea Customs Act (VIII		
Temporary Establishment per annum		10,000	of 1878) for the services of officers detained on		
26 Sulkea Golahs (Salt) Establt. per annum		2,580	board ships for longer periods than the law requires the free grant of their		
1 Surgeon per annum		600	services.		
	R				
(b) 1884-85		39,963			
1885-86		31,532			

79. The whole question of the duties and necessary strength and rates of pay of the Preventive Establishments of the port of Calcutta was very carefully considered in 1882. Their most important duty is the supervision of the discharge of salt cargoes, the great number and dutiable value of which necessitates the maintenance both of a stronger and of a more costly force than at Bombay. The local officers are of opinion that no reduction is possible in the strength of this establishment, and we are not prepared to disagree with them.

80. The Calcutta Wharf Establishment consists of twenty-one wharf officers and eighteen servants. The Superintendent draws R225 per mensem, and his Assistants from R20 to R125. The establishment is charged with the duty of watching the egress of goods from the Custom House gates and jetties, and with the custody of goods deposited in the Custom House sheds. Its total cost varies from 22 to 27 per annum, according to the state of the trade of the port, which sometimes necessitates the entertainment of temporary additional hands.

81. It appears to us that this is a larger expenditure than is justified by the facts of the case. The establishment is mainly employed at the jetty gates. Goods landed on the jetties are in the first instance subject to some scrutiny by the preventive patrol. They are then taken into the Port Commissioners' sheds, where a record is taken of them for the purpose of the levy of the Port dues, and where they are examined by the Appraising Establishment. On removal under pass, they are subject to scrutiny at the gates, both by the Customs Wharf Establishment and by the gatemen maintained by the Port Commissioners. Some examination at the gates is certainly necessary; and as the only detailed check applied up to that point has been that of the Port Commissioners' Officers in the sheds, the scrutiny at the gates should be conducted by the Customs Department. But we do not see the need of a double examination at the gates. We would suggest that arrangements might be made

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with the Port Commissioners for the withdrawal of the establishments, which they maintain to guard the jetty gates, and for the performance by the Customs Wharf Establishment, on the payment by the Commissioners to Government of such a reasonable contribution as may be agreed upon, of the duty of making the examinations and of keeping the registers, if any, required for the purposes of the Port authority. We find that the Port Commissioners spend about R10,000 a year on their Jetty Gate Establishment. If, therefore, the arrangement we suggest could be carried out, a saving of the whole, or of the greater part of that sum, might be effected.

The Port of Chittagong.

82. The Customs establishment of the Port of Chittagong is constituted as follows:—

	Per annum. R
<i>Establishment.</i>	
1 Collector	7,200
21 Clerks and servants	8,782
9 Boat establishment	780
Temporary establishment	270
<i>Preventive Establishment.</i>	
3 Inspectors	2,880
10 Preventive officers	4,080
14 Boat establishment	1,152
Temporary establishment	200
<i>Wharf Establishment</i>	600

83. Including contingencies, the Budget Estimate of the current year amounts to R22,150.

84. The trade of the port is considerable. The following statement exhibits its details and total amount in 1885-86:—

Trade of the Port of Chittagong in 1885-86.

	Quantity.	Value.	Duty collected.
		R	R
<i>Foreign Import Trade—</i>			
Arms and ammunition . . . . .	...	121	1,595
Liquors	705	3,077	
Salt	2,68,901	1,57,341	
Other articles . . . . .	...	66,735	...
<i>Foreign Export Trade—</i>			
Rice	629,869	25,87,430	1,60,749
Other articles . . . . .	...	54,79,965	...
<i>Coasting Trade, Import and Export—</i>			
...	...	1,20,93,139	...
TOTAL	...	2,03,87,811	7,38,350

85. In addition to the Customs establishment there is a Port Officer and Conservator at Chittagong on a salary of R170 including house-rent, with an establishment of 47

Port Establishments.

hands costing R690 to 695 per mensem, exclusive of Pilotage and Light house establishments and of the Health Officer of the port. The total cost of the Port establishment is therefore nearly R14,000 per annum. There is also a Salt establishment (under the Customs Collector) consisting of two Intendants costing R1,320, and of twenty-one servants costing R1,740 per annum. The annual cost of the Port, Customs and Salt establishments, taken together, is about R37,900 or R179 per lakh of Trade.

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86. The number of vessels which entered at and cleared from the port was as follows in 1885-86: Steam 249, Sailing 1,156, total 1,405. We have not at hand the means of comparing the navigation statistics of other ports of similar importance with those of Chittagong. The port expenditure of Chittagong appears very high, however; and we cannot but think that it might be reduced. It may be argued that it falls on the Port Fund and therefore does not affect the Government. But this is not so. About ₹1,860 per annum out of the total expenditure of the port is charged to Marine. We can see no reason for this and think that the whole charge should fall on the Port Fund. We have therefore made a reduction of 2 under Marine on this account (*vide* paragraph 224).

87. The extent of the dutiable, chiefly salt and rice, trade of Chittagong necessitates the employment of a strong Preventive force, especially as the transactions are much heavier at some times of the year than at others. We are not prepared to say that the Preventive establishment is too large or needlessly costly, though we think the question should be re-considered in the light of the experience gained since the abolition, in 1882, of the major part of the Customs duties. But it seems to us that the Customs Office establishment, including the Collector, is unnecessarily large and expensive, considering the amount of work to be done, which depends more on the volume of the trade than on the quantities of dutiable goods to be passed. The trade of the port of Coconada may not unfairly be compared with that of Chittagong. Including the articles marginally noted, it amounted in 1884-85 to 17½ lakhs. The strength and pay of the Customs establishments of the two ports compare as under:—

	CHITTAGONG.		COCONADA.	
		Cost.		Cost.
	No.	₹	No.	₹
Collector	1	600	...	...
Superintendent . . . . .	...	...	1	100
Head Clerk	1	50 to 80	1	25
Second "	1	25 " 30	1	20
Third "	1	20 " 25	2	30
Import "	1	25 " 40	...	...
Assistant "	1	15 " 20	...	...
Export "	1	20 " 30	...	...
Cashier	1	15 " 20	1	10
Duttry	1	7	...	...
Peons, at ₹6	12	72	10	60
Sweeper	1	3	1	5
Weigher . . . . .	...	...	1	7
TOTAL . . . . .	...	852 to 927	...	257

88. At Coconada also there is a Port Officer (on ₹350), but no Salt Establishment. At Coconada the shipping (except native craft) lie about 4½ miles from the Custom House: at Chittagong, we believe, the Custom House is only about a mile and a half from the anchorage. We have no information as to the details of the Coconada Port Officer's Establishment, but believe it to be far smaller than that of Chittagong. Whatever its size and cost, the Port Fund pays for the whole of it.

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89. Both Coconada and Chittagong are the head-quarters of the Collectors of the respective Districts. Chittagong is stated to be a very heavy District, but the Godavari District is far heavier. The population, &c., of the two Districts are compared in the margin. The land tenures and the land revenue duties of the Collectors are not dissimilar. As the Collector of the Godavari District can find time to supervise the Customs of his District, so that it suffices to place an officer on R100 per mensem in immediate charge, it is not clear why the Chittagong Collector cannot do the same. If it is found that the Collector of Chittagong cannot find time for the supervision of the direct management of the Customs of his District by an officer of the standing, say, of a Sub-Deputy Collector, we would suggest that a saving might at least be effected by a plan which has already been adopted with success in several of the subordinate ports of Burma and of the Madras Presidency, namely, by the amalgamation of the offices of Customs Superintendent and Port Officer. An arrangement of this kind appears to have been in force in Chittagong from 1860 to 1879. We have not been informed of the reasons for its discontinuance.

90. The subjoined statement shows the Customs establishments maintained at the Orissa ports and at Naraingunge in Dacca :—

	BALASORE.		CUTTACK. (FALSE POINT.)		NARAINGUNG.		POOREE.	
	No.	Annual Cost.	No.	Annual Cost.	No.	Annual Cost.	No.	Annual Cost.
<i>Establishments.</i>		R		R		R		R
Superintendent . . . . .	...	...	1	1,800	...	...	...	...
Assistant Superintendent . . . . .	...	...	1	1,200	...	...	...	...
Clerks and servants	6	2,040	5	1,668	2	432	1	720
Boat establishment	7	768	10	1,176	2	156	...	...
<i>Preventive Establishments.</i>								
Preventive officers	6	3,840	3	1,260	...	...	1	600
Servants	8	480	...	...	...	...	2	120
Boat establishment	5	624	...	...	...	...	...	...
Temporary establishment . . . . .	...	380	...	...	...	...	...	...
Miscellaneous . . . . .	...	678	...	344	...	312	...	300
TOTAL	32	8,810	20	7,448	4	900	4	1,740

91. Under the head of Balasore are included the establishments both of that port and of the Dhamra river (Chandbally), the latter being supervised by a Sub-Deputy Collector, who receives an additional allowance of R50 per mensem for this duty, which appears not to be debited under the head of Customs. There is a Port Officer on R300, with an establishment costing R49 per mensem, in charge of Balasore and Chandbally; and the False Point Superintendent of Customs draws R250 per mensem from Port Funds, and has establishments costing R289 and 50 per mensem respectively, as Port Officer of False Point (Cuttack) and Pooree. Assuming the cost of the latter in his capacity of Port Officer to be divided between the ports supervised by him in the proportion of three quarters to False Point and of one quarter to Pooree, the annual cost of the establishments of the Orissa ports is as follows :—

	Customs. R	Port Funds. R	Total. R
Balasore and Chandbally	8,732(a)	4,188	12,920
Cuttack	7,104	5,718	12,822
Pooree	1,440	1,350	2,790

(a) Including the Sub-Deputy Collector.

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Customs.

trade ;
in 1885-86 is shown below :—

92. The value of the trade of the Orissa ports

		Balsore. R	Cuttack. R	Pooree. R
Foreign	Imports	...	55,804	...
	Exports	3,26,147	21,02,481	1,56,485
Coasting	Imports	76,77,123	1,19,432	8,609
	Exports	38,73,939	8,35,433	1,96,570
TOTAL		1,18,77,209	31,13,150	3,61,664

and collection of duty.

93. The duty levied was—

	Balsore. R	Cuttack. R	Pooree. R
On Imports (Liquors and Salt)	...	13,620	...
„ Exports (Rice)	29,448	14,425	11,831
TOTAL	29,488	28,045	11,831

94. The cost of working these ports amounts, therefore, to R109, R414, and R775, respectively, per lakh of trade, and absorbs 41 per cent. of the Customs duties collected.

Similar small ports on the Madras Coast are worked at far lower cost. In addition to this, it may be noted that the port dues levied at Balasore have in past years been so inadequate to cover the expenses of the port that it has been necessary for Government to aid the Port Fund by a recurring special contribution as shown in the margin. Endeavours are now being made to create an equilibrium between income and expenditure by increasing the port dues from 6 annas per hundred maunds to 2½ annas per ton in the larger, and 2 annas per ton in the smaller, ports of the Balasore district. The effect on trade of this increase remains to be seen. It appears that the Chamber of Commerce have objected to it, and have suggested, as an alternative, a reduction of expenditure.

95. There can be no doubt, we think, that the Chamber of Commerce are right in holding that expenditure should be reduced. Its present scale appears to us too high. From all three districts there is a considerable export of rice, which must be watched. Some sort of a preventive establishment is therefore a necessity, especially at Balasore, whence the export is largest and where ships engaged in the Foreign trade do not enter the river, but remain outside at a distance of fourteen or fifteen miles from the Custom House. Where, however, there is but little work, as at Pooree, it appears to us that the duties of Superintendent or Head Customs Clerk and of Preventive Officer might well be amalgamated. At Pooree, which is a mere open roadstead, we cannot see that there can be any need of the services of a Port Officer. The duties of the Cuttack Port Officer might therefore be confined to False Point. The trade of False Point appears to be declining, or rather to be in course of diversion to Chandbally. Considering the inhospitable nature of the locality, we would not reduce the pay of the combined office of Port Officer and Customs Superintendent below that now drawn, but we would dispense with the Assistant Superintendent, for whom there would be no need if the Superintendent had no duties elsewhere in his

Reduction of expenditure recommended.

	R
1883-84	6,000
1884-85	12,000
1885-86	6,500

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Assessed Taxes.

capacity of Port Officer of Pooree. The Balasore Customs Clerks draw what seems to us to be the high average of ₹40 per mensem. The allowance of ₹50 per mensem now drawn by the Chandbally Sub-Deputy Collector for the supervision of Customs should certainly be withdrawn. We do not understand why it was granted. It is hardly possible to conceive a charge more exactly belonging than that of Customs to the class of duties for which Collectors and their Subordinates draw their salaries. It should certainly, therefore, not carry with it an additional allowance. The Balasore Port Officer being in charge of several ports could not undertake the supervision of the Customs at any of them.

96. The reductions we recommend would cause a saving of ₹3,060 per annum, as shown in the margin. There should also be some saving by the reduction of the pay of the clerks in Balasore, but we are unable to estimate it and have not taken it into account in framing the Contract.	
Resultant saving.	
False Point.	₹
Assistant Superintendent . . .	1,200
Preventive officers . . .	1,260
Pooree.	
Preventive officer . . .	600
	<u>3,060</u>

97. No reductions suggest themselves to us as feasible in the Port of The port of Naraingunge. Naraingunge.

98. Pending the result of the enquiries and revisions which we have recommended, the only savings for which we can take credit are those shown in paragraph 96. Their deduction from the Budget provision leaves the future requirement under Customs expenditure at 4,95.

ASSESSSED TAXES.

99. *Revenue*.—The original estimate of the Income Tax was 36 lakhs, but it is now believed that the collections will amount to 38 lakhs. We take the latter figure, pending the Revised Estimate.

100. *Expenditure*.—The cost of collecting the License Tax fell gradually from 96 to 90: the original estimate of the expenditure for the current year was 3,65, but the cost of the establishments actually sanctioned by the Government of Bengal was only 2,80. The Board divided the districts thus: 7 first class, 18 second class, and 19 third class. Every district had a special Assessor appointed to it, while the first class districts had in addition two Assessors, and second class districts had one, for six months. Each Assessor and each Collector of a district had a clerk and one or two peons. For next year it is proposed to allow one Assessor for each district with a clerk and two peons, and a clerk to each Collector's office: and the cost of the forty-four districts is estimated at 1,60.

101. For Calcutta a special establishment was sanctioned. The Collector of Calcutta, who used to receive an allowance of ₹250 for License Tax work, had his allowance raised to ₹500: and six Assessors were appointed, with a large establishment of clerks. In future it is proposed to reduce the Collector's allowance to ₹300, with three Assessors and a smaller establishment, costing altogether about 35.

102. The establishment in the Board's Office costs ₹6,000 for collecting and tabulating the figures and preparing the Annual Report. An officer of the grade of Collector was

The Commissioner of Income Tax.

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Forests.

appointed Commissioner of Income Tax for one year with an extra allowance of Rs300: but we understand that the Lieutenant-Governor does not propose the continuance of this appointment.

103. Altogether the estimated future expenditure may be taken at 2,00:

Estimate for the future. The District Assessors to be placed in charge of excise inspection also.

We are inclined to think this rather high and to doubt if in the smaller districts there will be work for even one Assessor for the whole year, but we believe that if the establishment is reduced too low, the collections will fall off in a still greater degree, and we think it safer to accept the forecast of the Local Government. We propose, however, that the work now done by the Excise Inspectors (or Sub-Inspectors) of whom there is one in each district, on salaries ranging generally from Rs50 to Rs100, shall be thrown on the Assessors. This suggestion is accepted by the Local Government, and will effect a saving of about 30. We therefore place the Contract figure under the head of Income Tax at 1,70.

FORESTS.

104. The Forest Revenue and Expenditure for past years has been as follows:—

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Latest Estimate.
Revenue . . .	6,34	6,94	6,94	5,71	5,97	6,80
Expenditure . . .	3,95	3,82	3,88	4,11	3,70	4,60
Net . . .	2,39	3,12	3,06	1,60	2,27	2,20

105. *Revenue.*—The high Revenue figures of 1882-83 and 1883-84 arose from the supply of sleepers for Railways made in those years—a business which has since been falling off.

Supply of Railway sleepers in 1882-84.

106. More than half of the revenue comes in from the Sunderban forests (firewood and timber supplied to Calcutta and surrounding regions). They account for 3,86 out of the 6,80 shown in 1886-87, and a considerable improvement is expected shortly in consequence of measures being taken to improve the inspection. The Chittagong forests are also productive, giving 1,04 out of the 6,80. In both of these cases there is a comparatively small expenditure. The Darjeeling Sub-division produces a revenue of Rs49,500, which is gained almost exclusively by the supply of firewood to Darjeeling and its neighbourhood.

107. The only dealings in timber in the Sub-Himalayan ranges are the export of timber from Buxa to Dacca. After the trees have been logged and the logs exported by water, the only use that remains for the short ends is for the small-sized sleepers used in State Railways. But though the Northern Bengal Railway has an almost unlimited use for such sleepers, we are informed that the Railway and the Forest authorities have not always been able to come to an understanding for their delivery and purchase, although it is obviously to the advantage of the Provincial finances that the two Departments should co-operate in the matter of supply and demand. If the Railway can buy sleepers, say at Rs1-12, and the Forest Department can sell its sleepers elsewhere for Rs2, they would each gain by acting independently. But there is obviously no economy in saving four annas per sleeper in the Railway Department, if the result is that the Forest Department logs have to rot unsold.

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Registration.

culated on, and take the figures of the new Contract at 7,00 for revenue and 4,50 for expenditure.

REGISTRATION.

113. *Revenue*.—The Registration revenue has steadily increased during the period of the current Contract, as shown below :—

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.
Registration proper	9,10	9,35	9,64	10,68	10,81	11,98
Registration of Joint Stock Companies	4	11	9	7	7	7
Land Registration	15	9	10	7	6	5
TOTAL	9,29 (a)	9,55 (a)	9,83	10,82	10,94	12,10

(a) Exclusive of Revenue record-room receipts, transferred to Land Revenue from 1893-84.

114. The Revised Estimate of 1885-86 (11,11) was not reached, and the Budget Estimate of 1886-87 appears high. The revenue has increased, however, at the rate of about 41 per annum, and a considerable expansion of the operations of the Department is expected shortly to result under the Bengal Tenancy Act. The Budget figures have therefore been taken pending the receipt of the Revised Estimate.

115. *Expenditure*.—The expenditure, exclusive of Stationery and Public Works charges, is as follows :—

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.
Registration proper :—						
Superintendence	75	74	63	61	67	67
District charges	4,41	4,37	4,49	4,96	4,99	5,33
TOTAL	5,16	5,11	5,12	5,57	5,66	6,05
Registration of Joint Stock Companies . . . .	...	...	1	1	1	1
Land Registration	44	45	45	35	28	31
TOTAL	5,60 (a)	5,56 (a)	5,58	5,93	5,95	6,37

(a) Exclusive of Revenue record-room charges, transferred to Land Revenue from 1893-84.

116. The expenditure on the Registration of Joint Stock Companies is trifling and calls for no remarks.

117. The expenditure entered under Land Registration is in connection with the maintenance of the Record of Rights and more properly belongs to Land Revenue. It has decreased of late years, as above shown. The initial registration is nearly complete, except in Calcutta, Cuttaek and Chittagong, where two Deputy Collectors on R300 and a Sub-Deputy Collector on R100, with establishments, are still employed. The remainder of the expenditure is upon establishments in other Collectorates, either employed on current work or upon revision of the initial work. The work is practically paid for, either by the fees levied, or by the stamp duty on applications and mukhtarnamas filed in the cases.

118. Under Registration proper, the charge for Superintendence was unduly swollen in 1881-82 and 1882-83, by the fact that, although the permanent incumbent of the

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Registration.

office of Inspector General had been deputed to conduct the census of Bengal, his salary continued to be debited to Registration, as well as the acting allowance of his *locum tenens*. Otherwise the expenditure under this head has been fairly uniform.

119. The Supervising Establishment of the Department consists of the Inspector General on R1,500 rising to R1,800, and of two Inspectors on R1,000 and R700 respectively, though on account of an expected saving by vacancies only R18,080 are provided in the Budget for the two latter officers, instead of R20,400.

120. As regards the Inspector General, we find that His Honour the Lieutenant-Governor is not prepared to abolish the post, though he is willing to reduce the pay to R1,500, the pay of a third grade Collector. We have held, in regard to other Provinces, either that the appointment of an Inspector General is not needed at all, inspection being effectively carried out by District Officers, or else that the work is not sufficient for a whole-time officer and should be combined with some other duty, such as the charge of Excise or Jails. In Bengal, however, the Department has reached a magnitude, which is not approached in any other Province, and in the face of the objections of the Lieutenant-Governor we do not urge our proposal for the abolition of the post, but recommend the acceptance of the reduction offered. At the same time, if it is found possible to amalgamate the Registration duties with those of any other Department, we think it should be done. For instance, if it is decided to retain a Commissioner of Income Tax, we think one officer could carry on both these branches of work. But the Lieutenant-Governor does not at present propose to retain the Income Tax appointment, and thinks the work can be effectively carried out under the supervision of the Revenue Board.

121. As regards the Inspectors of Registration Offices, we find that in most other Provinces no such officers are employed in addition to the Inspector General; and that, where they are employed, in Bombay for instance, their salaries run from R150 to R250 per mensem. Considering the area of the Lower Provinces and the extent of the operations of the Department (about 725,000 documents were registered in 1885-86), we admit that it is necessary to maintain a strong Inspecting Agency. The duty, however, of inspecting Registration Offices is not difficult or responsible; nor is it one which necessitates much previous training. We think, therefore, that the salaries which are now paid to the Inspectors are unnecessarily high. We propose that officers of the Deputy Collector class should be appointed to the posts on salaries of (say) R500 per mensem each, and we provide the sum of R1,000 per mensem on this account. The Lieutenant-Governor has signified his assent to this recommendation.

122. The reductions above suggested should lead to the marginally-noted savings as compared with the Budget of the current year. There will also be some saving under the head of Travelling Allowance in consequence of the employment as Inspectors of officers of a lower official status; and we, therefore, provide for a decrease of expenditure amounting to R10,000 under the head of Superintendence.

	Budget.	Pro- posed.	Savings.
	R.	R.	R.
Inspector General	21,060	18,000	3,060
Inspector	18,080	12,000	6,080

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Registration.

District Establishments.

123. The District establishments of the Department comprise the following:—

- (i) District Registrars.
- (ii) Special Sub-Registrars.
- (iii) *Ex-officio* do.
- (iv) Rural do.

124. The duties of District Registrars are discharged *ex officio* by the Magistrates and Collectors of districts, so far as they are not made over to the Special and *Ex-officio*

District Registrars.

Sub-Registrars.

125. The Special Sub-Registrars, twenty-one in number, are employed at the head-quarter stations of the heaviest districts.

Sub-Registrars,—Special;

As a general rule, they also exercise all the powers of a District Registrar, except those of control and of disposing of appeals from the orders of the other Sub-Registrars employed in the district. In some of the heaviest districts, however, they have been vested with appellate powers also. With the exception of one officer, who draws the pay of ₹200 under an old arrangement, which has been discontinued and which will not be revived, Special Sub-Registrars draw pay at ₹100, if the number of Rural Sub-Registry offices, which they are required to inspect, exceeds ten; or at ₹75 otherwise. With the exception of the officer who receives the pay of ₹200, they all also receive commission on the following scale:—

	₹
If the monthly number of documents registered in their offices does not exceed 150	60
If the number exceeds 150 but does not exceed 300, additional for each 50 documents	10
If the number exceeds 300, additional for each 50 documents	5

Special Sub-Registrars are supposed to inspect each Rural office once quarterly, but appear in reality to do so not more frequently than once annually.

126. The *Ex-officio* Sub-Registrars, thirty-one in number, are Assistant or Deputy Magistrates, either at head-quarters of Districts or in charge of Sub-Divisions. If at the head-

Ex-officio;

quarters of Districts, they have powers similar to those of special Sub-Registrars, as above described. They receive commission at 25 per cent. on the fees collected by them, limited to ₹600 in each half-year,—an amount which appears to be but seldom realised. The maintenance of these offices being expensive, it has been decided gradually to replace them by Rural offices. Considerable progress has recently been made in carrying out this decision.

127. The Rural Sub-Registrars, 248 in number, receive salaries varying from ₹40 to ₹150 per mensem, according to the number of documents registered in their offices.

Rural.

They also receive allowances for the maintenance of their establishments, varying from ₹10 per mensem, where the monthly number of documents registered does not exceed one hundred, to ₹12 per hundred documents, where the monthly number of registrations exceeds five hundred.

128. The offices of the District Registrars are in all cases amalgamated with those of the Special or *Ex-officio* Sub-Registrars at district head-quarters. The number of clerks

Office Establishments.

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Registration.

and muharrirs employed in these amalgamated offices varies from ten in Backergunge to one each in Singbhoom and Darjeeling, as shown in the margin. In two districts the Head Clerks get R40 per mensem; in ten districts R35; in the remainder R30, except in Darjeeling, where the pay is only R25. The salaries of the subordinate clerks are R25 or R20 and those of the muharrirs R15.

1 district,	10.
3 districts,	9 each.
4 "	8 "
1 district,	7.
7 districts,	6 each.
5 "	5 "
8 "	4 "
8 "	3 "
5 "	2 "
2 "	1 "

129. So far as we can judge, these establishments have been fixed with due regard to the amount of work to be done, and are paid at reasonable rates. The question of the

Rates of pay suitable. improvement of their position has recently been brought before the Bengal Government in the Salaries Commission Report, on which orders have not yet been passed. Bearing in mind the generally simple nature of their duties, we cannot see that there is any valid reason for raising their pay. On the other hand, we are unable to recommend any general decrease of expenditure under this head.

130. Two clerks are allowed to the Sub-Divisional *Ex-officio* Sub-Registrar at Nowgong in the Rajshahye district, one on R25 and the other on R15. As the number of documents registered in this office in 1885-86 was only 711, one clerk should apparently suffice. The other offices of this class have only one clerk apiece. These clerks are paid from R30 to R15. A small reduction might probably be here effected.

131. The Registrar of Calcutta, who is also Registrar of Joint Stock Companies, receives a salary of R600 per mensem, but is not granted commission in addition. It appeared to us that this was an unnecessarily high salary, and on our representation His Honour the Lieutenant-Governor has intimated his willingness to reduce it to R400. A saving of R2,400 per annum will thus be effected.

132. The Office establishment of the Calcutta Registrar comprises the following hands: Three clerks on R100, R60 and R40; a record-keeper on R20; ten copyists, three on R30 and seven on R20; and one clerk on R40 rising to R50 for Joint Stock Company work. Including menials, the establishment costs R534 to R544 per mensem, or (say) R6,500 per annum in round numbers. This expenditure appears to us excessive for the registration of rather more than four thousand documents annually. In fact, the whole cost of this office is such that in 1885-86 the average cost of registering each document was no less than R3-13-10. The average cost for the rest of the Province was 10 annas 9 pies per document. No doubt the deeds registered in Calcutta are often longer than those registered in the Mofussil, but we cannot think that the difference can be so great as to necessitate an expenditure nearly six times as high. In the Town of Madras there are two Registration offices. In 1885-86 the total expenditure was R14,267; the number of documents registered 5,731; and the cost per document R2-7-11, the cost per document in the Mofussil being 14 annas 10 pie. The clerks are paid R50, R30 and R30; the Record-keepers R25; and the copyists (by fees) R21 each. It appears to us that there is considerable scope for economy in the Calcutta office, and that by suitable

and his establishment. Suggested reductions.

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Refunds. General Administration.

arrangements the cost might be reduced so as not to exceed that of the Madras offices. We do not, however, take this into account in framing the Contract.

133. The total (6,37) of the current year's Budget Estimate of expenditure under Registration is 42 in excess of the actuals of 1885-86 (5,95). The increase is almost wholly under the head of Commission and other payments to Sub-Registrars, and is due to the substitution of Rural for *Ex-officio* Sub-Registrars and to the general expansion of the operations of the Department. The provision, however, under Travelling Allowances (14 altogether) is more than 3 in excess of the average (Rs10,968) of the actuals of the years 1882-85. We estimate therefore that a total saving of 15 is feasible, as shown in the margin, and fix the Contract figure of expenditure at 6,22.

Superintendence (paragraph 122) . 10
Registrar of Calcutta (paragraph 131) 2
Travelling allowances . . . 3

REFUNDS.

134. Land Revenue Refunds have averaged 61, owing to an exceptional expenditure in 1884-85. The Budget is 50, which appears fair and is taken.

135. The Budget Estimate under other heads on the whole closely corresponds with the average of past years and is taken. It is as follows: Stamps, 1,43; Excise, 8; Assessed Taxes, 23; Forest, Rs500; Registration, 4; and Provincial Rates, 6.5.

Divided heads,

GENERAL ADMINISTRATION.

136. The details which go to make up this head are as follow, taking the Budget figures of 1886-87:—

	Budget, 1886-87.	Committee's Estimate.
Lieutenant-Governor, Personal	96.0	96.0
„ Household and Staff	31.0	31.0
Tour expenses	74.0	57.0
Legislative Council	21.5	12.0
Civil Secretariat (including Translation Department 2,80) .	4,35.9	4,31.4
Board of Revenue	2,59.7	2,59.7
Commissioners	5,00.3	5,00.3
Office of Account, Provincial Portion	30.7	
Audit of Local Accounts	51.4	
Wards' Estates, Management	59.9	
	<u>1,40.6(a)</u>	<u>1,40.6</u>
	15,59.0	15,28.0

137. The expenditure, starting from 14,72 in 1881-82, has been 15,10; 15,45; 16,06 and 15,77. The Estimate for 1886-87 is 15,59. This increase is principally attributable to three items: the cost of moving the Secretariat to Darjeeling has been larger by 24; the Secretariat Establishment is more costly by 32, owing to increase in the number and pay of clerks (on this subject we propose (b) to submit a separate Note comparing the cost and working of all Secretariats); and there is an increase of 34 on account of the audit of Local and Municipal accounts, and the management of a larger number of Wards' Estates. The latter item is recovered from the Estates, and the former from the Funds concerned.

(a) After deducting 1.4 savings.

(b) This intention was not carried out before the dissolution of the Committee.

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General Administration.

138. The charge on account of Tour expenses has been dealt with in a separate Note (*vide* Volume II, chapter XIII, section D). It is only necessary to say here that the Local Government are prepared to reduce it. The total estimated reduction amounts to 17, of which 10½ falls under this head and the remainder under Public Works, Stationery and Printing, and the various Departments, the heads of which accompany the Government to Darjeeling. For convenience sake, we take the whole deduction here.

139. There is a Secretary to the Legislative Council on R1,000. His Civil Secretariat, Legislative Department. establishment has recently been reduced and now consists of a Registrar on R300—R400 with R100 for short-hand writing, a clerk at R80—120, two daftaris, and four peons. The Council sits, as a rule, only in the cold weather, and during most of the year these officials have little or nothing to do. In Bombay there is no such establishment, the work being entirely done by the Judicial Department assisted by the Legal Remembrancer. In Madras an Assistant Secretary in the Judicial Department is placed in special charge of this work and employs two clerks and two servants. We think this example should be followed in Bengal, and we were at first inclined to propose the appointment of a Civil Servant of the standing of a Joint Magistrate, during the cold weather only, to do the first rough work of the Department. But at the Lieutenant-Governor's suggestion we adopt an alternative proposal, that a lump sum of, say, R6,000 should be granted, out of which the Local Government should provide itself with such assistance as it finds necessary for this work. The services of the Legal Remembrancer and of the Advocate General might also be utilised for revising the draft bills. The present Registrar should be included in the establishment of the Judicial Department of the Secretariat, his allowance for short-hand writing being confined to those months when the Council is sitting; and the clerk and peons should be abolished. The future expenditure will then be 12, *viz.*, Registrar 4·8; Temporary assistance 6; Contingencies (say) 1·2. The Budget provision being 21·5, there will thus be a saving of 9·5.

140. There is a Bengali Translator on R700 with four assistants on R100 and upwards, a Hindi Translator on R400, and an Uriya Translator on R200. These salaries seem to us excessively high for men whose work consists of translating from and into their own vernaculars, and the number of their assistants seems unnecessarily large for the work to be done—the translation of Bills, Rules, and Circulars, and the reporting on 94 issues of newspapers in each week. The Bengali Translator having lately died, a revision of his salary is easy, and we suggest that the three Translators receive R400, R300, and R200 apiece, and that the establishment be somewhat reduced. Indeed, we believe the Hindi work could be done for the Bengal Government at Allahabad at little or no cost. We estimate a saving of 4·5 under this head.

141. The steamer of the Chittagong Commissioner is kept up principally for the service of the Hill Police and partly also for the use of the Commissioner. The steamer at Dacca is used by other officials besides the Commissioner. The cost of the two is about 20. The Lieutenant-Governor considers that the retention of both these steamers is absolutely necessary in order to the inspection of riverain districts, which there are no other means of reaching except by country boat.

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General Administration.

We do not therefore propose their reduction, but we think the general rule should apply to both Commissioners, that on the days when they use the steamers they should forfeit all travelling allowance in excess of any actual expense which they may incur for locomotion during that time.

142. We have received suggestions from several quarters to the effect that the functions of the Board of Revenue and of the Commissioners of Divisions overlap to such a degree that the one institution is superfluous where the other exists. The subject is a large one, and we have deemed it our duty to abstain from considering it here or in the North-Western Provinces, as it is one of those questions of "organic structure" which it lies beyond our functions to deal with.

143. The establishment of the Board of Revenue consists of two Secretaries on R2,500 and R1,800 per mensem respectively; of ninety-two clerks costing altogether R1,01,076 per annum and drawing on the average R81 per mensem; and of seventy servants. This is exclusive of the Presidency Opium Godowns (Imperial) establishment (one intendant, two clerks and twenty-two servants); of the 'Wards' Rate, the Road Cess and the License Tax establishments; and of an establishment costing R170 per mensem paid from the Record grant.

144. The Madras Revenue Board's establishment comprises two Secretaries on R2,000 and R1,500 respectively; eighty-eight clerks on the average pay of R72 per mensem; and fifty-three servants. This is inclusive of twenty-four clerks and three servants in the Trade Registration Department, the duties of which are not, in Calcutta, discharged by the Board of Revenue. The establishment of the Board of Revenue of the North-Western Provinces consists of a Secretary on R2,000; an Assistant Secretary on R600; seventy-two clerks costing R73,156 per annum and drawing the average pay of R85 per mensem; and forty-three servants costing R250 per mensem.

145. The Calcutta Board's establishments do not appear to be over-paid, but they seem to us to be unnecessarily numerous. It is difficult, for instance, to understand how seventeen daftaris can be required to attend in an office of ninety-two clerks, or thirty-six peons to wait on four officers; and how seventeen farrashes, darwans, water-bearers and sweepers can find work to occupy them in a single office. There certainly would appear to be room for reduction in these subordinate establishments. As regards the clerks, the Opium and Salt Sale Accounts Departments, in which fifteen clerks are employed, have no counterparts in the Madras Revenue Board Office. The remaining establishments are very strong, it appears to us, but we have been unable to spare time for a sufficiently detailed examination of their duties to warrant us in saying that they are too strong, except in the Copying Department. This Department contains twenty-seven hands. It is stated that there is full work for all of them. We think, however, that a great reduction of work might be effected by a briefer method of conducting correspondence, such as is adopted, for instance, by the Madras Board of Revenue, who reply to letters and address Government by Proceedings. We believe that an immense saving of scriptory labour might thus be effected, especially in the case of short routine orders and reports. We

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recommend that enquiries be instituted into the work performed by the above and by the remaining establishments, in view to a reduction in their number and cost.

LAW AND JUSTICE, COURTS.

146. The Expenditure and Receipts are as follow :—

	1883-84.	1884-85.	1885-86.	1886-87. Budget.	Committee's Estimate.
Expenditure—					
High Court	10,34	10,87	11,95	11,27	11,27
Advocate General, &c.	1,18	1,16	1,13	1,19	1,19
Legal Remembrancer and Pleaders	1,69	1,40	1,60	1,46	1,42
Coroner	11	13	13	13	9
Presidency Magistrates	54	52	56	58	52
Civil and Sessions Courts	36,77	37,48	38,23	37,20	38,00
Small Cause Courts	2,91	2,91	2,98	2,92	2,80
Criminal Courts	20,15	20,36	20,81	20,68	20,68
Pleadership Examinations	10	10	9	8	8
Sub-divisional Establishments	1,11	1,12	1,23	1,18	1,18
Refunds	1,31	1,25	1,33	1,30	1,30
TOTAL	76,21	77,30	80,04	77,99	78,53
Deduct transferred to 28 Civil Furlough, &c., Allowances . . . . .	...	...	...	12	12
NET TOTAL	76,21	77,30	80,04	77,87	78,41
Receipts	7,64	7,54	7,41	7,65	7,65

147. The question of the High Court (a) and of the Law Officers immediately connected with it will be separately taken up. In the meantime we repeat the Budget figures.

The High Court.

Law Officers.

148. The figures under Legal Remembrancer may be thus divided :—

	1883-84	1884-85.	1885-86.	1886-87. Budget.	Committee's Estimate.
Calcutta Staff	71	50	55	65	61
Mofussil Pleaders	22	22	22	22	22
Calcutta Establishment	10	10	10	10	10
Mofussil ditto	6	6	6	6	6
Pleaders' Fees	55	51	50	37	37
Remembrancer's Law Charges	10	5	20	11	11
Other Expenditure	1	1	1	1	1
Deduct Contribution	—6	—4	—4	—6	—6
TOTAL	1,69	1,41	1,60	1,46	1,42

149. The Legal Remembrancer receives R3,000 per mensem. He had originally the whole of the office work to conduct and employed two Government Pleaders on R300 to appear before the High Court, the Senior in civil cases and the Junior in criminal appeals. In 1875 he obtained the additional assistance of a Deputy, a Barrister by profession. The appointment was originally created with the object of enabling the Legal Remembrancer to cope with the increasing litigious work; it was intended that the Deputy Legal Remembrancer should especially attend to all Wards' Appointment and intended duties of the Deputy Legal Remembrancer.

(a) Vide Volume II, chapter V, section C.

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cases, and the Wards' Estates were to pay the Government by fees according to the work done. But as soon as the fees began to be demanded, the Revenue Authorities came to the conclusion that the Estates could not afford to pay them, and the litigation connected with Wards' Estates is now mostly conducted by the local Government Pleaders without reference to the Legal Remembrancer, except in special cases. Meanwhile another branch of the legal work of Government—the defending of criminal appeals in the High Court—has been demanding more and more attention, especially as Barristers have been more and more employed to represent the appellants; and this branch of the work is now considered sufficient, and of sufficient importance, to justify the retention of the Deputy. The present distribution of the work appears to be as follows.

150. All business passes formally through the Legal Remembrancer's hands, but he is mainly concerned with giving opinions in the civil cases to which Government is a party. These number about 1,120 a year, of which 25 or 30 only are heard in the High Court, the rest in Mofussil Courts.

151. The chief duty of the Deputy Legal Remembrancer is to appear for Government before the High Court in criminal appeals. These number from 600 to 700 a year, but he only appears in cases where Counsel or a Pleader is engaged by the appellant, or where the High Court specially desire the Crown to be represented—say in about 125 cases a year. He also appears in the Marine Court in cases connected with the Merchant Shipping Act numbering about twenty a year or less. All Wards' cases referred to the office come to him and are returned by him with his opinion and advice to the Government Pleaders in the Mofussil Courts. All cases in which Government is moved by the Commissioners to appeal against acquittals are sent to him, and he submits advice (through the Legal Remembrancer) to the Government. The revision of Municipal bye-laws, rules of procedure, rules under Acts and the like, is also performed by him in subordination to the Legal Remembrancer.

152. In civil cases in the High Court the Government is represented by the Senior Government Pleader, who has a retaining fee or salary of R300, and an Assistant on R100. The pleaders in districts usually receive a retaining fee of R50 and are also allowed clerical assistance. They all give legal advice, when required, to the local authorities. All pleaders, both in Calcutta and in the Mofussil, receive, in addition to their fixed retainers, the regulated fees in the cases in which they appear.

153. There is also a Junior Pleader in Calcutta on R300. He was originally appointed for criminal work in the High Court, but since the appellants have been more and more represented by Barristers, this work has fallen more and more into the hands of the Deputy Legal Remembrancer; and the Junior Pleader has been unemployed. The Legal Remembrancer has already reported to the Government of Bengal that this appointment should be abolished, and we understand that the Lieutenant-Governor has expressed his agreement in the proposal, which will, it may be assumed, be carried out at once. This virtual substitution of a Deputy Legal Remembrancer on R2,000 for a Junior Pleader on R300 is an expensive arrangement, but we believe that the increase of the work of defending appeals and the

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greater technicality of it may be held to justify the augmented expenditure. We have taken account of a saving of 4 on account of the abolition of the appointment of Junior Government Pleader. Actually the saving should be much larger. The present arrangement is that the Senior Government Pleader gets a part only of the fees for doing all the work. It is not suggested that he is underpaid. The fees may therefore be reduced by the amount of the share of them which the Junior Government Pleader now draws for doing nothing. We have, however, no means of calculating the saving which will accrue on this account.

154. The fees earned by the Legal Remembrancer on account of Government are charged according to a somewhat indefinite scale and vary from R16 to R55 in each case. Their total amount appears to be only about R5,000, and in nine tenths of the cases the similar legal services of Government Officers and Government Pleaders are given for nothing. If the Estates are made to pay a fair contribution, as proposed by us in paragraphs 62 to 64 above, there would be no objection to the continuance of the present system, but unless that is done, we cannot conceive any reason for relieving Wards' Estates of charges for legal advice, which they would most certainly have to pay, if they had not come under the Court. We recommend that the scale of charges be raised so as to equal the amounts, which the Estates would have to pay in Solicitors' charges and Counsel's fees, if private practitioners of good standing were employed.

155. It appears to us that the appointment of a Barrister to the office of his Deputy must have greatly relieved the Legal Remembrancer, while at the same time detracting from the importance of his appointment. We were disposed, therefore, to recommend a reduction of the pay on the occurrence of the next vacancy in the office. In the face, however, of the very strong opinion as to the status of the Legal Remembrancer expressed by the Committee which in 1875 investigated the whole question of the duties and emoluments of the Law Officers of Government (*vide* paragraph 16 of their report), we abstain from making the proposal. But we think that the continuance of his present pay will be justified only if the Legal Remembrancer, in addition to his present work, undertakes as part of his regular duties the drafting of Bills and the supervision of their passage through the Local Legislative Council, subject to the arrangement mentioned in paragraph 139. This has always been the recognised arrangement in the case of the Legal Remembrancer in Bombay (*vide* Notification No. 5756, dated September 15, 1882).

156. The only other point requiring notice under this head is the sub-head "Law charges" in Calcutta; of "Law charges" under Legal Remembrancer. These represent the cost of stamps and fees in civil proceedings (both of which depend entirely on the value of the suits), and the cost of preparing the record in the manner required by the High Court,—that is, all the pleadings, documents, and evidence have to be translated and printed. The amount of the charge is thus extremely variable, as a single heavy case may cost R2,000 under this last head alone.

157. The Law charges of civil litigation in the Mofussil Courts are mostly taken under the head of Collectors. Government has to be represented in the Sessions Courts also in criminal appeals; and the

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Pleader who appears for Government (that is, the Government Pleader, unless, as is the case in some of the principal districts, he declines to take up this branch of the work) gets Rs16 a day, and in one or two places Rs32. The annual cost comes to over Rs40,000.

158. The charges under Coroner are mostly composed of the Coroner's allowance of Rs300 (with Rs36 of conveyance allowance) and the Coroner's Surgeon's allowance of Rs500.

159. The Bombay allowances are Rs400 and Rs200 respectively, and the number of inquests is larger. The Surgeon seems to have an unnecessarily large allowance, and we recommend that it should be reduced to the rate obtaining in Bombay, *i.e.*, to Rs200. We take credit for a reduction of 4 on this account.

160. There are at present two Magistrates on Rs1,500 and Rs1,250 respectively. They both sit in the same building, although they divide the city territorially. We are given to understand that the work is ordinarily very light. It does not seem to us to be necessary to provide two highly-paid Magistrates. The greater part of the work is composed of very petty cases such as are dealt with by Magistrates of the lower grades in the Mofussil; and though important cases occasionally occur, they would be sufficiently provided for by the retention of only one Magistrate of standing and experience. Separate territorial jurisdictions are not a necessity, nor are they even a convenience when both the Magistrates sit in the same building; and we would recommend that in lieu of two Magistrates acting independently, there be only one Chief Magistrate, on the present salary of Rs1,500, and that he be given a Joint or Deputy Magistrate, who might be selected from the existing staff of Deputy Magistrates in Bengal. We would suggest that a pay of Rs600 would be sufficient for such an officer, as it would permit of the selection of an officer from the Rs500 grade. The Government of Bengal is prepared to entertain this proposal, but we understand that it would fix the Second Magistrate's pay at a higher figure than we propose. The full saving on the scale we propose would be Rs650 a month or Rs7,800 a year. We take credit for Rs6,000 in the new Contract.

161. The nature of the increase of cost under the somewhat comprehensive head of Civil and Sessions Courts, will be seen from the following details:—

	1883-84.	1884-85.	1885-86.	1886-87, Budget.	Committee's Estimate.
Salaries	20,12	20,35	20,64	20,71	} 38,00
Establishment	7,56	7,74	7,95	7,96	
Copyists	1,61	1,71	1,70	(a) 1,58	
Other Contingencies	1,00	1,10	1,13	30	
Travelling Allowances	26	32	32	30	
Process Service	6,22	6,26	6,49	6,65	
TOTAL	36,77	37,48	38,23	37,20	38,00

(a) 253—95, probable savings on whole head.

The increase occurs practically under Salaries and Establishment, and is due to the continual creation of new courts to meet increasing business. In 1885-86 there was one additional Judge for the whole year, three additional Subordinate Judges, in three districts, for six months, and several additional Munsiffs. The increase under Process Service is practically not increased expenditure, as the charges are met out of special receipts.

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162. It is obvious that the Budget Estimate will be exceeded by about a lakh of rupees. The full estimate, in the original, was 38,15. A deduction of 95 was made for probable savings, reducing the figure to 37,20, but it would not be safe to take the present standard of expenditure under 38,00.

163. This expenditure is for the most part governed by the action of the High Court, who propose the appointment of additional Munsiffs as the work demands it, and who also primarily deal with questions of establishment. We understand that the Government of Bengal has proposed a systematic enquiry (like that which it has recently carried out in the case of the revenue establishments) into the strength of the judicial establishments also, both as to the number of courts required, and as to the clerks, &c., required for manning them; and we are informed that it has asked for sanction to an immediate increase of ten Munsiffs and of one Subordinate Judge, which will cost R31,200 in salaries alone, besides about R16,000 for establishment. We do not provide for this in the new Contract, though the amount should be added, if the Government of India sanctions the proposal. But we would urge that if any enquiry is undertaken, the question should also be referred of relieving the judicial officers by making over non-contentious *quasi-judicial* work to the principal ministerial officers, so as to save as much as possible of the more highly-paid time of the Munsiffs and Subordinate Judges. Since the High Court necessarily gives more prominence to the question of the sufficient provision of tribunals than to that of economy in their working, we think that a more systematic enquiry than any we are able to make is necessary, before either existing expenditure can be curtailed, or continual increases can be prevented.

The Presidency Small Cause Court,—compared with the Madras Court.

164. The Presidency Small Cause Court compares as follows with that of Madras:—

	No. of suits.	No. of Judges.	Average number of suits disposed of by each Judge.	Cost of ministerial establishment per annum.
Calcutta	31,000	5	6,200	R 71,000
Madras	26,000	4	6,500	26,000

165. The number of suits is about one fifth larger at Calcutta than at Madras, but the numerical strength of the ministerial establishments, exclusive of menial servants, is 119 at Calcutta, against 59 at Madras, and the cost of the former is nearly three times that of the latter. On looking into details the contrast becomes still more striking. Thus, the Treasurer at Madras has only two Assistants while at Calcutta he has eight. The book-keeper at Madras has no Assistant, while at Calcutta he has six. At Madras there are sixteen Native Bailiffs, while at Calcutta there are forty-two. The salaries paid in the Calcutta Court also seem in some instances to exceed those paid at Madras to an unjustifiable extent. Thus at Calcutta the Senior Bench Clerk draws R250 a month, and three out of the four others R200 a month each, while Clerks holding the same post at Madras receive only R70 a month. At Calcutta the Clerk of the Court receives R500 a month and has four Assistants, the whole establishment costing R682 a month, while at Madras the Head Clerk, who presumably discharges the same functions, receives R300 only and works single-handed. The above figures seem to us to indicate the necessity for careful scrutiny with a view to extensive retrenchment. One item charged in the establishment seems to

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call for special notice, namely, the allowance to the Treasurer of R150 a month for selling stamps. As the Office of the Collector of Stamp Revenue is only on the other side of the street, it would probably be easy to give all necessary facilities for the purchase of stamps at a cost not exceeding R50 a month.

166. We are also of opinion that the pay of the two junior Judges might easily bear reduction. They stand at R1,300 and R1,125, being probably fixed with the view of the appointments being conferred upon Barristers. It seems sufficient to provide two Judgeships only of this class, the first, as at present, upon R2,500 and the second on R1,400. The other two, we think, might be filled, with perfect satisfaction to the public, by officers of the subordinate judicial service, costing R800 or R1,000. In fact one such officer is already officiating in the third Judgeship and drawing the pay fixed for a Judge of a different class; and one Small Cause Court Judgeship, which is only a hundred yards over the legal boundary of Calcutta, and in which precisely the same sort of work has to be done, as is done in the Calcutta Court, is systematically filled by an officer of this class.

167. We propose to reduce the provision for the Small Cause Court by R12,000, but we feel sure that the Government of Bengal will find itself able to secure larger economies than this.

168. In the Mofussil there are only three Small Cause Courts proper,—Krishnagarh, Hooghly, and Sealdah—though Subordinate Judges elsewhere exercise Small Cause

powers in twenty-five Courts. In the latter case the Judges are provided with an establishment of three or four clerks, two to four bailiffs, two to four servants, and peons, &c., as shown in the margin, for their Small Cause work, independently of their other judicial work. It seems to us that the necessity of separate establishments on this scale is open to question, as the time given to Small Cause work obviously reduces the amount of ordinary judicial work performed. This matter might well be examined if an enquiry into the working of the judicial establishments is undertaken.

169. The expenditure under this head has been for some years very steady, two thirds of it being the moiety of District Officers' salaries, of which the other half is charged to Land Revenue. The only other officers charged to this head are an Assistant in the Tributary Mahals, Cuttack, and three Cantonment Magistrates, for Dinapore, Barrackpore and Dum-Dum, two on R1,000 and one on R700. Dinapore is so far from the Civil station of Bankipore as to require a separate Cantonment Magistrate, and as in the other two cases the officers in question do also the regular work of Civil Sub-Divisional Officers and Small Cause Court Judges, there seems to be no objection to their retention.

170. In four smaller Cantonments, the necessary Cantonment work is arranged for without extra charge.

171. The remainder of the charge for Sub-Divisional Establishments is shown in paragraph 25.

Mofussil Small Cause Courts.

	R
74 Clerks . . .	43,317
72 Bailiffs . . .	4,776
46 Servants . . .	2,546
1 Sale Amin . . .	168
2 Nazirs . . .	1,020
371 Peons . . .	27,924
566	
TOTAL . . .	79,751

Criminal Courts.

Cantonment Courts.

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172. The charges for Pleadership Examinations are more than covered by fees.

173. *Receipts.*—The receipts are at present fairly steady and demand no comment.

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174. The following are the figures relating to Jails :—

	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.
Manufactures—					
Receipts	8,42	6,42	7,26	7,41	7,15
Charges	6,11	5,69	5,62	5,39	7,27
Net	2,31	73	1,64	2,02	—12
Other receipts	5	4	3	2	5
Other charges	10,52	11,28	11,15	11,04	11,14

175. The Bengal Government say that the heavy fall of two lakhs in Jail manufactures, in 1883-84, was due to the orders restricting the more remunerative kinds of Jail labour, but that now a slow recovery may be expected. The figures show the recovery to be fairly rapid, and two lakhs is a moderate estimate of the net receipts.

176. The Budget Estimate of 1886-87 shows a loss of 12, but this appears to be due to some misunderstanding between the Jail Department and the Accountant General, the former being under the erroneous impression that credits for receipts are not given in the accounts. The figures given in the Inspector General's reports as the amounts paid into the treasuries on account of manufactures are stated without any reference to the actual fact of such payment, and include even such things as the nominal value of the outturn of work at the Presidency Jail Press. The accounts of Government show the actual cost of this Institution under Printing and Stationery, and neither debit Jails with the cost, nor credit it with either the real cost or any nominal value of the work done.

177. There seems little doubt that, as the jails are now emancipated from the restrictions imposed a few years ago upon their manufactures, we may look for a considerable profit, the net receipts of 1882-83 being already nearly reached in 1885-86; and we may therefore substitute for the Budget figures of manufacture the actuals of last year, 1885-86.

178. As regards Jail manufactures, the orders of the Secretary of State are thus explained in Home Department No. 10—605-18 of 7th May 1886 :—

“As regards the preferential supply of articles of Jail manufacture to Government Departments, Her Majesty's Secretary of State has decided that Local Governments and Administrations should in future adapt their intramural industries as much as possible to the requirements of the public consuming departments, these departments being compelled to take articles of Jail manufacture which they require, as long as such articles can be supplied by the jails of the same quality and at the same price as they can be obtained in the open market.”

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179. Now, so far as quality is concerned, the Bengal jails are exceptionally well situated, being amply provided with machinery and not depending upon pure hand-work. So far as concerns price, the Inspector General is indifferent, being willing to settle prices upon any fair basis, either those proposed by the consuming Department, or, if they are entirely unacceptable, those fixed by the arbitration of a third person.

180. Under these circumstances, the Inspector General proposed to the Government of India (chiefly with reference to Military requirements) "to turn out by machinery most of its requirements in gunny, woollen and cotton goods, the latter to include tents of the best make. This Department can guarantee the quality of its manufactures as they are done by machinery and prepared by prisoners long skilled in these manufactures."

181. In reply to this offer the Commissary-General-in-Chief suggests, as "the simplest and the only practical way, that as the requirements of this Department are, as a rule, advertised for, Superintendents of Jails should, with reference to those advertisements, submit, with the general public, their offers for consideration." In the same way the Superintendent of Army Clothing, Calcutta, suggests that the officers concerned should "consult the *Exchange Gazette* in which tenders for materials required are always invited and submit their tenders with sample of the articles which they are prepared to supply."

182. In the letters from which these extracts are quoted both these officers profess their desire to meet the objects which the Jail Department has in view, but it is evident that they fail to apprehend the financial bearing of the case. The practical result is equivalent to a refusal to carry out the instructions of the Secretary of State. It is obviously an extravagance for the Government in the Military Department to pay cash to third persons for doing that, which the Government in the Jail Department can do without extra cost. The latter Department has to maintain its factories and to feed its labourers, whether fully employed or not; and if it can buy its raw material cheaper than the Military Department can buy the finished article, it is a great economy to Government that the requirements of the Military Department should be met, as far as they can be, through the jails. The proper course is obviously that definite contracts for periodical supplies from jails, during lengthened periods, should be made between the two Departments. As the Secretary of State's instructions indicate, the greatest economy is obtained when the jail industries are adapted to the requirements of consuming Departments; but such adaptation is an impossibility when the consuming Department reserves the right of stopping the supplies at any moment. No person in private business would dream of calling for tenders from the public for articles which he himself manufactured and had exceptional facilities for cheaply manufacturing and supplying. And it should also be remembered that many private firms, which entirely admit the right of Government to supply itself from its own Departments, make the strongest objection, when public tenders are called for, to the right of Government Departments to under-bid them. At the same time, the purchasing Departments should have full power, under proper precautions, to reject all articles supplied which are not up to sample, and to fix prices at the rates for which they can purchase in the open market.

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183. The jail population has latterly been greatly reduced (as has been the case in the rest of India), and we think that some of the district jails should be closed. The buildings would still remain ready for service, but meantime establishments would be saved, and other economies would be obtained from the management of the prisoners in larger groups.

Abolition of certain District Jails proposed.

184. The Khoolna Jail is certainly one which can be closed without inconvenience. It is only two or three years since every prisoner convicted at Khoolna and Bagerhat was sent into Jessore, so that the proposal in these cases is only to do what was done as a matter of course a short time back, and what has become more easy since, for there is now a railway from Jessore to Khoolna. Satkhira prisoners might have a little further to go than before the creation of the Khoolna district; but the distance they would have to be conveyed is little more than it used to be. We observe that proposals have been made to spend nearly two lakhs of rupees in erecting a new jail at Khoolna; but we consider that no measure of the kind is in any way called for, so long as prisoners convicted at Khoolna can be sent (as they always used to be) into Jessore.

The Khoolna Jail.

185. We understand that the Bengal Government is willing to close the Bhagalpur District Jail at once, as the Central Jail at the same place meets all necessities. The other cases in which we would suggest the same measure are as follows:—

		Capacity of jail.	Average population in 1885.
A {	Hooghly	550	283
	Burdwan	332	129
	Beerbhoom	265	163
B {	Dinajpur	539	164
	Rungpore	422	243
	Jalpaiguri	162	99

186. We think that one jail out of each of these groups might easily be closed; and we would suggest also that Mozufferpore and Bancoora might be closed, though in these cases it is not so easy to point to any single adjacent jail to which the present population might be transferred.

187. The closing of a district jail, and its reduction to the status of a mere lock-up, promises, as we understand, an economy of about Rs.8,000, and as we estimate that about four (including Bhagalpur) can certainly be closed, we take credit for Rs.25,000 in the new Contract, as a saving available under this head. This will allow of the Government setting against the direct saving such charges as those of maintaining and looking after the empty jails (which must not be allowed to fall into disrepair) and as those of additional travelling and escorting of prisoners.

188. Another suggestion has been made by the Lieutenant-Governor, who, as we understand, would prefer to abolish the Presidency Jail; and to keep a larger number of prisoners in the district jails. This would enable the Government to dispense with a specially expensive establishment at this Jail; but on the other hand the labour of the prisoners (which is devoted to printing) is very productive, and besides these financial considerations there are legal difficulties in the way of closing the Jail, for there must be some place for High Court prisoners within

Suggested abolition of the Presidency Jail.

Resulting economy.

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the Court's jurisdiction, which does not at present extend to the Alipore Jail. We have not therefore felt justified in following out this suggestion.

Cost of rations.

189. We have received the following statistics as to the price of rations :—

Comparative Statement of the Cost of Prisoners' rations in Bengal Jails from 1881-82 to 1886-87.

	1881-82.	1882-83.	1883-84.	1884-85	1885-86, Revised	1886-87, Budget
	R	R	R	R	R	R
Presidency Jail	23	25	27	29	32	29
Central Jails	97	1,21	1,35	1,40	1,45	1,54
District „	1,26	1,37	1,42	1,61	1,60	1,58
Subsidiary Jails and Lock-ups	13	16	16	19	20	20
TOTAL	2,59	2,99	3,20	3,49	3,57	3,61
Jail Population	16,556	15,971	14,769	14,760	14,924	.
Price of rice per maund, in annas	23½	25	31	40½	40½	.

190. These figures show that while the number of prisoners has been continually decreasing, the total cost of rations has, by an increase of price, continually been rising. We may hope that the high prices of the last year or two will not be maintained, and that a considerable economy will become available under this head. Or rather, there is reason to think that the Budget of 1886-87, in allowing over 3½ lakhs as cost of rations, makes ample provision for even a large increase in the number of prisoners.

191. Careful measures seem to be taken to keep down the prices of food, every jailor being kept fully acquainted with the rates obtainable by every other.

192. There are at present several Burmese prisoners in the Bengal Jails, for whose maintenance Bengal receives, by inter-provincial adjustment, a credit reckoned at the average cost of maintenance according to the past years' Reports. This adjustment will of course cease when the new Contract is made allowing Bengal the full existing scale of expenditure, but it will have to be continued for future transfers of prisoners. The method by which it is calculated seems fair.

193. Our attention has been drawn to one small item of expenditure which might, we think, be avoided. The Bengal Government have to make to the Superintendent of the Presidency Jail an allowance, in lieu of house-rent, of ₹1,800 a year. There are quarters in an adjacent building (the General Hospital) which are exactly suitable for the purpose, but which are at present unavailable, because, for four months in the year, they are required for the Surgeon-General's Secretary. It would obviously be cheaper to make to this latter officer the usual house-rent allowance for the four months he is in Calcutta and to set free the quarters for the Superintendent of the Presidency Jail.

Future Estimate.

194. The estimate under Jails, for the future Contract, is :—

	Receipts.	Charges.
	R	R
Manufactures	8,41	6,39
Other heads	5	10,89
TOTAL	8,46	17,28

The Future Provincial Contract with Bengal.

Police.

POLICE.

195. *Expenditure.*—The following table shows the expenditure on Police under its chief heads for 1881-82 and for the five years of the current Contract:—

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.
	R	R	R	R	R	R
Presidency Police	2,53	1,88	2,36	2,09	2,04	2,02
Municipal Police	39	1,86	10	29	32	43
Superintendence	1,26	1,21	1,20	1,24	1,09	1,15
District Executive Force	33,13	35,02	38,48	39,92	39,78	38,12
Chittagong Frontier Police	1,06	1,86	1,92	1,76	1,65	1,85
Miscellaneous	1,61	1,88	1,80	1,82	1,61	2,05
TOTAL	40,87	41,61	45,86	48,02	47,79	46,82

196. The increase of six lakhs is principally under the head of District Executive Force. Out of this 4,97 is due to taking over the Municipal Police. In return for this the Municipalities have undertaken an additional expenditure of 1,86 on account of dispensaries, vaccination and education, part of which, however, is new expenditure, and is not a relief to the Government. Besides this, a new grade of Sub-Inspectors has been created, the new District of Khoolna has been created, and a steam-launch has been provided for the Dacca Police. The increase under Presidency and Municipal Police is explained below.

197. The position of the Provincial Government with regard to the Municipalities of Calcutta and the neighbourhood is as follows. It pays one-fourth of the net cost of the Calcutta Police and one-fourth of the River Police; three-fourths being paid by Municipal taxation and by the Port Commissioners respectively. It formerly paid half the cost of the Police of the Suburban and Howrah Municipalities; but under the provisions of the Municipal Act IV (B.C.) of 1884 its share has been raised to three-fourths. It pays for Police guards on the Lock-up, the two Government Houses, the Stamp Office, Custom House, Ordnance Department, Commissariat Office, the Dockyard, the Mint, the Cossipur Foundry, the Clothing Agency, Fort William, the Telegraph and

THE PRESIDENCY POLICE.

Calcutta.

	R
Cost of Police	4,63,415
Add collection of Police rate	4,000
	<u>4,67,415</u>
Deduct receipts from fees and fines, &c.	56,509
Balance	4,10,906
Government share, one-fourth	<u>1,02,727</u>

River Police.

Cost of Police	39,344
Government share, one-fourth	<u>9,836</u>

Suburban Police.

Cost of Police	1,60,746
Deduct receipts, fees, fines, &c.	<u>7,000</u>
Balance	1,53,746
Government share, three-fourths	<u>1,15,309</u>

Guards on Government Buildings.

Calcutta Lock-up	1,216
Other Buildings	52,128
Salt Police	4,336
Contingencies	<u>7,060</u>

Total (payable by Government) 64,710

Howrah Municipality.

Government share, three-fourths of total	<u>43,500</u>
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GRAND TOTAL GOVERNMENT PAYMENTS 3,36,112

Survey Offices, the Paper Currency Office, and the High Court; and for four Salt Stations. We think that the strength of these guards may be found to be capable of reduction; and we recommend that a competent officer be instructed to enquire into the necessity of the number of sentries in each case. It may be found advantageous that each institution supplied with Police shall be separately

The Future Provincial Contract with Bengal.

Police.

charged with the cost, in order to encourage the inclination to reduce the force to a minimum. This may involve some transfer of charge from Provincial to Imperial. We further note that there is a project on foot for transferring the remainder of the cost of the Calcutta Municipal Police (say three lakhs of rupees) to the Provincial Government, in return for which the Calcutta and Suburban Municipalities are to be amalgamated, and large and expensive sanitary reforms carried out; and the Government of India has undertaken to allow for a part, if not for the whole, of this increased expenditure.

198. The questions of the strength and cost of the Municipal Police and of the proportion it bears to the work which has to be done, and to the expenditure in the Presidency towns of Madras and Bombay, is a large one and will be discussed^(a) after further examination in a separate Note. We need only say here that the expenditure in Calcutta seems to us to require examination, but that it is possible that any reductions we may have to propose can only be gradually carried out. We do not at present make any retrenchment in our proposed figures for the future Contract.

199. The Superintendence consists of one Inspector-General, with a Personal Assistant (who may be of any grade among the District or Assistant Superintendents and who receives Rs100 as a special allowance) and of two Deputy Inspectors-General at Rs1,500 each. The work of inspection is divided between them, the Inspector-General taking rather less than a third of the districts, and each Deputy Inspector-General rather more than a third.

200. The Local Government at first seemed inclined to advocate the abolition of one of the Deputy Inspectors-General, and on this understanding we were prepared to recommend it; but the Lieutenant-Governor has now pronounced against it, and considering the great extent of the province and the large number of districts, we think that there ought to be sufficient work for both these officers. As, however, we find that either the Inspector-General or one of the Deputies is always at head-quarters, we fail to see the necessity of the maintenance of the office of Personal Assistant to the Inspector-General. The abolition of the post would lead to a saving which may be stated at Rs6,000 per annum. We understand that the Lieutenant-Governor would not strongly object to this.

201. The executive staff of the Police is exceedingly strong in its higher grades. Including Assam, which draws its officers from the Bengal list, there are fifty District Superintendents of Police and thirty-six Assistants on the sanctioned list, with power to employ eighteen officiating men to fill up vacancies. The number held to be requisite is as follows. There are 45 districts in Bengal and seven ^(b) sub-divisions to which Assistants are specially posted; two special appointments, those of the Personal Assistant to the Inspector-General and of Assistant Inspector-General, Railway Police; and about sixteen Assistants in districts in which there are also District Superintendents. In Assam there are eight districts, of which four are light and are always held by Assistants, and two sub-divisions. Some Police officers are also employed in the Assam Fron-

District Police Force, number of officers required.

(b) Patna City.
Palanow.
Serampore.
Barrackpore.

Serajunge.
Sasceram.
Gurjat Melals.

(a) The Committee dissolved before this intention could be carried out.

The Future Provincial Contract with Bengal.

Police.

tier Police, which should ordinarily be officered by military men: they may therefore be left out of account. Excluding them, there are sixty-four charges and sixteen additional officers who have no distinct charges. Vacancies are filled by officiating men, who, after they have once acted, are placed, if ousted, on the temporary (or probationary) list, and draw R200 per mensem until again appointed to officiate.

202. We question the necessity of having an Assistant Superintendent in

The employment of Assistant Superintendents.

addition to a District Superintendent in any ordinary district, except where the area is so large as to necessitate the division of the district into two separate charges. It has been replied to us that the districts are very large and the work too heavy for one man; but no such necessity is found to exist in the North-Western Provinces, where the work seems to be heavier, though the districts are not so large. Looking at the statistics of cognisable cases for 1884, we find that the Gorakhpur district stands first, with 7,800 cases; Sitapur next with 7,500; Patna next with 6,400; then Gházipur with 6,000. The North-Western Provinces have eleven districts with between four and five thousand cognisable cases, but Bengal has only four such districts. We recommend therefore, as we have done elsewhere, that the Police establishment be manned on the principle of having one officer for each district and each important sub-division, and a sufficient margin over for furlough (say about 20 per cent.) and for probationers; the number of probationers being calculated as equal to the average number of vacancies in three years. If this is approved, the calculation would be, as above, that there are sixty-four charges, of which forty-nine are important enough for a District Superintendent of Police, while the rest can be filled (as now) by Assistants. To them must be added thirteen for furloughs and long vacancies (the posts can be filled by Inspectors during short leaves) and ten Probationers, making eighty-seven in all:—forty-nine District Superintendents and thirty-eight Assistant Superintendents and Probationers.

203. We further recommend that the Police Officers should be regraded, as

Revision of the scale of pay proposed.

has been done in the North-Western Provinces, and as we have proposed in other provinces. We extract here a copy of the comparative statement inserted in our proposals as to the Madras Police (*vide* Chapter VII, paragraph 143, page 210), and add to it a column showing how the regrading might be carried out, so as to bring the salaries of the officers down to an average level corresponding to that in other provinces:—

..	Madras.	Bombay.	Bengal and Assam.	North-Western Provinces.	Punjab.	Central Provinces.	Proposed new grading for Madras.	Proposed new grading for Bengal and Assam.	
	R	R	R	R	R	R	R	R	
District Supdts. of Police.	1st grade .	2 @ 1,000	3 @ 1,000	7 @ 1,000	4 @ 800	4 @ 1,000	2 @ 1,000	2 @ 1,000	4 @ 1,000
	2nd " .	7 @ 800	5 @ 800	7 @ 800	10 @ 700	6 @ 800	2 @ 800	4 @ 800	6 @ 800
	" .	12 @ 700	7 @ 700	12 @ 700	10 @ 600	11 @ 600	3 @ 700	6 @ 650	10 @ 700
	4th "	4 @ 600	11 @ 600	10 @ 500	12 @ 500	5 @ 500	0 @ 500	13 @ 600
	5th "	6 @ 500	13 @ 500	12 @ 400	...	6 @ 500	...	16 @ 500
Average pay	21 @ 763	25 @ 602	50 @ 682	45 @ 655	33 @ 619	19 @ 650	21 @ 618	40 @ 615	
Assistants . . .	1 @ 600	2 @ 500	10 @ 400	4 @ 300	4 @ 450	2 @ 300	5 @ 400	10 @ 400	
	10 @ 500	3 @ 400	15 @ 300	4 @ 250	6 @ 350	9 @ 250	6 @ 300	12 @ 300	
	...	...	5 @ 250	...	8 @ 250	...	9 @ 250	15 @ 250
Average pay	20 @ 505	5 @ 410	30 @ 337	8 @ 275	16 @ 329	11 @ 259	20 @ 302	33 @ 305	

N.B.—The scale here shown for the North-Western Provinces is not that actually in force, but is the sanctioned scale which is being gradually introduced.

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Police.

204. The saving by such a grading (including in the present scale the eighteen officiating men, who are not shown in the table in the preceding paragraph) would be R6,650 per mensem, or R79,800 per annum, but we do not take credit for any part of it in the Contract. The new grading can only be very gradually introduced, and part of it would affect the Contract with Assam. It may be worth while to point out that the change we recommend would affect the number, rather than the emoluments or the prospects, of the officers. The average pay of the 104 officers, of whom the sanctioned list now consists, is R479 per mensem; that of the 87 officers whom we think sufficient for the duty would, by our scale, be R496.

Savings by proposed revision.

205. Five steam-launches are kept for the use of the Police (two in the 24-Parganas, and one each at Faridpur, Backergunge, and Dacca) at an aggregate cost of 14. The necessity of retaining these vessels seems to us questionable, especially at Dacca, where there is already a Government steamer kept for the use of the Commissioner and but little used. We think the Local Government might with advantage enquire whether the utility of these vessels is commensurate with the cost.

Police steam launches.

206. Some savings under the head of Police may be expected in Orissa, in consequence of the transfer of the Salt administration of that province to the Madras Salt Department. Both permanent and temporary Police establishments are now employed there in connection with the Salt revenue,—the permanent, at the salt outposts on the duty of preventing illicit manufacture and of checking the *rawanahs* which protect consignments of salt in transit, and as boat patrols on the rivers and on the Chilka Lake; and the temporary, to guard the salt-works (*aurangs*) during the manufacturing season.

Orissa Salt Police.

207. The salt outposts are 37 in number, and are manned by 36 Head Constables and 180 Constables. The number of temporary hands engaged to guard the salt-works varies from year to year according to the number of licenses granted for the manufacture. The provision for the outposts and for the boat patrols is not separately shown in the estimates. That for the temporary Police amounts to R24,395 in the Budget of 1886-87. The actual expenditure on this account is not likely, however, to approximate to this sum, as it will be reduced by the amount of the contributions made by the licensees (see paragraph 213).

Salt outposts and *aurang* guards.

208. So far as the Salt administration is concerned, no part of this force, permanent or temporary, will in future be required, for it is intended to dispense with the *rawanah* system and to entertain a departmental force to guard the works, to prevent illicit manufacture, and to patrol the rivers and the Chilka Lake. The outpost police attend, however, to the ordinary crime of the country, as well as to their Salt duties. There is but little ordinary crime along the Orissa coast, but in those localities where it is most considerable it may be necessary to retain some of the outposts to deal with it. The question of the strength which must be retained is still under discussion. It is believed that ten of the outposts will still be needed, but the Inspector General is not yet able to say what force of constables should be allotted to each. Some of the boat patrols may also still be required for ordinary Police work. We are unable, therefore, at present to estimate the saving on this account. It must be worked out later on and be taken into account in the

Reductions proposed.

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Police.

final settlement of the new Contract. The whole provision (R24,395) for temporary police can at once be retrenched.

209. There appears to have been an over-estimate under the head of Travelling Allowance, but this will be corrected by the Revised Estimate.

Travelling allowance.

210. The Chittagong Frontier Police is a special semi-military force kept up on the borders of Lushai-land and is necessarily more costly than the ordinary Police; but, comparing it with the cost of the Assam Frontier Police, the figures suggest that there is room for some reduction. The average pay of the latter force, taking officers and men together, is R128, and of the former R140; and, while the salaries of the Assam officers and men are 3,70 out of a total cost of 4,90, the auxiliary charges being only one-third of the pay of the force, in the Chittagong Police the salaries are 90 out of 2,25, the auxiliary charges being 150 per cent. on the pay of the force. There has been a considerable increase in 1886-87 on account of the creation of a coolie corps of two hundred men for transport purposes, but this will ultimately, it is thought, be compensated for by a reduction in the mule transport, and in the cost of road-making on which these men will be employed. This increase is concealed in the Budget by a large estimate of "probable savings" which is not likely to be realised.

The Chittagong Frontier Police.

211. The principal item included in "Miscellaneous" is the Village Police, which costs 1,13. The corresponding receipts are placed at 1,00. The two figures should balance each other, as far as they refer to the payments to the Digwari and Ghatwali Police, which are recovered from the landowners; but besides these it appears that the salaries of ordinary village chaukidars on some Government estates are included here, the Chaukidari cess being amalgamated with the Revenue. The other items under this head are State Railway Police; Cattle Pound Establishments; and the establishment for the inspection of steam boilers which is more than covered by fees.

Village Police.

212. Thus, though we recommend a large saving by the regrading of Police officers, the only reductions we take account of in the Contract are those of the Personal Assistant to the Inspector-General, 6, and of the Orissa temporary Salt Police, 24: total 30. These reductions, and that on account of the Orissa Salt outposts and boat patrols, the amount of which has still to be settled, will take effect on the Revised Estimate, which will probably exceed the Budget Estimate, as the subtraction on account of probable savings was unduly large under District Executive Police, as well as under the Chittagong Frontier Police.

Total of savings recommended.

213. *Receipts.*—The receipts consist chiefly of pound fees, and of clothing deductions; every Constable and Head Constable pays for his uniform (price about R7) and receives a grant of R4 from Government towards the expense. The steam boiler inspection fees have already been referred to. The Budget figure may be adopted. We note that there appear from the accounts to be no

Recovery of cost of Salt Police.

recoveries on account of the temporary Salt Police in Orissa, employed on guarding the salt-works during the manufacturing season. The rule is that, where the duty on the salt made is less than twenty times the cost of the establishment, the licensee has to pay the latter; and some collections are made under this rule. It appears, how-

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Marine.

ever, that the practice has been to credit these collections to Revenue deposits and to debit to the same head the payment of the temporary Police on account of which they were collected. The effect was to cause the actual cost of the temporary Salt Police to appear in the accounts at a much lower figure than in the Budget and to swell the amount of savings under the head of Police. The proper course would have been to show under Police both the collections, as receipts, and also the whole expenditure. If any collections are made in future, they will be made by the Madras Salt Department and be accounted for in the Madras accounts, in which they will be credited to Imperial, not to Provincial with other miscellaneous departmental receipts.

MARINE.

214. The following are the figures :—

	1883-84.		1884-85.		1885-86.		1886-87, BUDGET.	
	Expen- diture.	Receipts.	Expen- diture.	Receipts.	Expen- diture.	Receipts.	Expen- diture.	Receipts.
	₹	₹	₹	₹	₹	₹	₹	₹
<i>Pilotage—</i>								
Charges for Pilot Vessels	74	...	1,18	...	1,00	...	92	...
Charges for Pilots	5,94	8,49	5,16	7,24	5,41	8,02	5,24	8,00
Purchase of Pilot Vessels	62	...	...	...	...	...	...	...
<i>Vessels—</i>								
Undaunted	46	...	54	...	58	...	58	...
Clytie	2	...	2	...	2	...	3	...
Calcutta	2	...	3	...	2	...	3	...
<i>Calcutta Establishments—</i>								
Port Officer	29	...	44	...	38	...	40	...
Marine Court	3	...	3	...	7	...	3	...
Shipping Office	22	...	22	...	20	...	22	...
<i>Other Charges—</i>								
Subsidies . . . . .	...	...	50	...	29	...	35	...
Mooring hire	14	...	14	...	14	...	14	...
Contributions to Port Funds	6	...	12	...	7	...	5	...
Other items	15	47	9	48	9	49	10	48
<i>Refunds</i> . . . . .	...	...	...	...	2	...	...	...
TOTAL	8,69	8,96	8,47	7,72	8,29	8,51	8,09	8,48
DEDUCT—Transferred to Civil Furlough Allow- ances . . . . .	...	...	...	...	...	...	13	...
NET TOTAL	8,69	8,96	8,47	7,72	8,29	8,51	7,96	8,48

[NOTE.—In the first part of the above statement the charges for building, repairs, victualling, stores and coal and salaries of establishment are distributed according to vessels.]

215. The mass of the receipts and payments are those in the second line.

Pilotage.

They necessarily fluctuate greatly with the trade of the port of Calcutta. The net amount in the four years is 2,55; 2,08; 2,61; 2,76 (Budget). The amount of net receipts in the Budget seems to be large; that is, if 8,00 are to be received in the form of pilotage fees, it would seem likely that more than 5,24 will be paid to or on account of pilots.

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Marino.

216. The differences between the successive years in the figures relating to the vessels are due mostly to larger or smaller amounts of repairs.

Vessels.

217. No purchase has been made since the *Sarsuti* was purchased in 1882-83 and 1883-84. The Bengal Government are proposing a new purchase now, but nothing has been settled, and we do not provide for it in the Contract.

Pilot brigs.

218. The steamer *Undaunted* seems to be fully employed, being the only sea-going steamer of the Indian Marine stationed in Calcutta. She is used for all sorts of services and was 107 days away from moorings last year. The *Clytie* is a small launch of 27 tons, which is used by the Lieutenant-Governor when on tour in the *Rhotas*. The *Rhotas* itself is borne upon the Imperial list of vessels. The *Calcutta* (now called the *Muriel*), a steam-launch of 10 tons, is at the service of the Port Officer of Calcutta.

Steamers maintained.

219. The subsidy provided for is that given for the steamer service between Dibrugarh and Dhubri; it amounts to 35 a year.

Subsidies.

220. The salary of the officer at present occupying the appointment of Port Officer is Rs1,400, but it is proposed for the next incumbent to reduce it to Rs1,000. The establishment of this officer seems to us to be unnecessarily high. The three principal clerks draw Rs400, Rs160 and Rs100, and they have very little more than clerical work to do. Of recent years the Port Officer's work and responsibility have been much diminished by transfer to the Port Commissioners, and we understand that it is only by reason of some difficulties arising in dealing with the Pilot Service, that the office itself remains untransferred. We are informed that the office of Shipping Master was added to the Port Officer's duties in 1881, expressly on the ground that the Port Officer's time was not fully occupied. But as the real work of this office is done by the Deputy and Assistant Shipping Master, the Port Officer acting merely as a referee, we are justified in considering that the office continues to be a lightly worked one.

Port Officer.

221. The Government of Bengal are willing to reduce the cost of the Port Officer and establishment by Rs8,000, as the existing incumbents are understood to be on the eve of retirement.

Cost to be reduced.

222. The charges shown under the head of Marine Court are mainly an allowance of Rs200 to the Chief Presidency Magistrate in consideration of his having occasionally to hold a Marine Court. As we understand that that officer is by no means hardly worked, and as the duties of the Marine Court are discharged during, not out of, ordinary office hours, we do not see why a separate allowance should be given in respect of them, and we propose to withdraw it.

Marine Court.

Allowance to Chief Presidency Magistrate to be withdrawn.

223. The moorings hired in Calcutta were in 1881 reduced from 21 to 12. There are rarely more than one or two vacant, and they are often all occupied.

Hire of moorings.

224. Balasore is the only port that is systematically in deficit, and a grant of Rs5,000 for it is provided in this year's Estimate. Steps are being taken under Act V of 1885 to

Grants to Port Funds to make up deficits.

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Education.

increase the port dues and to obviate the necessity for this grant. We do not provide for it, therefore, in the Contract. A contribution of about R1,860 per annum is charged under Marine towards the cost of the Chittagong Port establishment. We think the whole charge should be met from the Port Fund (*vide* paragraph 86), and therefore deduct 2 on this account.

225. Upon the whole account of this head we take the Budget Estimate of receipts, and 17 less than the Budget Estimate of expenditure. But, as above noted, we may have to alter the figures, if experience shows that the net revenue of 2,76 under Pilotage cannot be realised.

EDUCATION.

226. *Expenditure.*—The cost of this department has increased largely, as the figures below prove, since the beginning of the Contract, and the increase has extended to nearly every branch of the expenditure :—

	1891-92.	1892-93.	1893-94.	1894-95.	1895-96.	1896-97, Budget.	Committee's estimate
	R	R	R	R	R	R	R
Direction	55	58	68	58	53	55	55
Inspection	3,79	4,13	3,92	4,20	4,48	4,41	} 8,91
Government Colleges, General	3,95	4,11	4,28	4,10	3,83	4,12	
Ditto Special	1,08	99	1,05	1,09	97	1,01	} 6,29
Government Schools, General	5,93	6,23	6,41	6,51	6,52	6,36	
Ditto Special	1,27	1,27	1,46	1,59	1,60	1,67	} 13,10
Grants-in-aid	9,30	10,76	11,49	13,79	12,78	13,69	
Scholarships	1,63	1,83	1,90	1,81	1,76	1,75	} 1,91
Miscellaneous	26	26	33	33	37	33	
TOTAL	27,76	30,16	31,55	31,00	32,81	33,92	32,46

227. The inspecting officers consist of six Inspectors (one for each of five circles and one for European schools), all in the superior graded list, and all but one Europeans; ten Assistant Inspectors (one for each of the nine divisions and one for the European schools), all in the subordinate graded service; 46 Deputy Inspectors (one for each district), mostly in the same service, with salaries ranging from R75 to R200; and 172 Sub-Inspectors at the rate of from two to ten to each district, with salaries ranging from R50 to R100. The principal work of the Sub-Inspectors is to inspect the Primary schools. The Deputy Inspector has general charge of all schools in the district except the High schools; the Inspectors and Assistant Inspectors visit these schools and all Secondary schools, and to some extent Primary schools also. There has been an increase since 1881-82 of R62,000 under this head. It is due to the appointment of an additional Inspector of a Circle, an Inspector and Assistant Inspector of European Schools, five Assistant Inspectors, one Deputy Inspector, and thirteen Sub-Inspectors; also the pay of the lowest grade of Sub-Inspectors has been raised from R30 to R50.

228. We think that inspection, in the higher grades, is rather overdone. It is true that the responsibilities of the Deputy Inspectors in the matter of grants-in-aid are large; but they are men of considerable position rising to R200 salary, and it ought to be possible to maintain an effective check over them without so many Inspectors and Assistants, the number of whom has risen in five years from nine to sixteen. Four Inspectors have each a circle containing two divisions, and have

The Future Provincial Contract with Bengal.

Education.

two Assistants under them. The fifth Inspector has one division, Rajshahye, and one Assistant. We believe that the Educational authorities admit that European Inspectors are unnecessarily expensive, and that the work can be done equally well by Natives; and we would recommend that the number of inspecting officers should be reduced to nine, one for each division, who should be all or mostly Natives, and mostly in the subordinate service, one or two posts being reserved in the superior grades to reward exceptional merit.

229. There are 75 European schools, of which the majority (46) and all the most important are in Calcutta and its suburbs. We think one Inspector without an Assistant ought to suffice for the Calcutta schools, and that the others, which are mostly small railway schools, can be visited by the Inspector of the circle, and the hill schools by the Director himself.

230. There are thirteen colleges, of which seven are first class, five are second class (teaching up to the First Arts standard only), and one is the Seebpore Engineering College. The increase under this head since 1881-82 has been R17,000, of which R10,000 appertain to the first grade colleges, and are due to the introduction of new courses and standards in the University, necessitating the employment of additional lecturers, whose number has risen from six to fifteen. The rest of the increase is due to cataloguing the manuscripts of the Sanscrit College and to the purchase of physical science and chemical apparatus for the first grade colleges.

231. The question to be considered is, how far this large number of colleges ought to be maintained. We understand that the Government has already decided that two of the second grade colleges, Midnapore and Berhampore, shall be closed or made over as Aided Institutions from 1st April next; that the Chittagong College shall be treated in the same way shortly, and the Rajshahye and Krishnagarh, Colleges as soon as any local bodies can be found to give satisfactory guarantees for their maintenance. This, it may be noted, is in strict accordance with the recommendation of the Education Commission, Chapter VIII, paragraph 543.

232. The Director of Public Instruction informs us that in his opinion only four colleges need be kept up—the Presidency, Dacca, Patna, and Cuttack. We think that the Government might even go further and decide that a Government college is not needed at Dacca, where an unaided private institution already exists and flourishes. The students at Hooghly might be required to go to the Presidency College, while the Calcutta Madrasa (which has only fifteen pupils who cost the State R983 apiece), and the Sanserit college (so far as regards its English teaching for the First Arts examination) might be amalgamated with the Presidency College. The average annual cost per head of a student in a Government college is now R269, in an Aided college it is R30. The reduction of the number of Government colleges and the closing of outlying colleges or the substitution for them of Aided Institutions would obviously produce a considerable economy.

233. The existence, however, of the permanent staff entertained in the graded services makes it difficult to carry out economies of this kind rapidly. The officers em-

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played in the colleges will have to be absorbed before the State can receive any relief; and indeed it is possible that the closing of a college may be a source of increased expenditure to the Government, if it has to pay

	Net cost, 1884-85
Presidency	1,01
Patna	39
Cuttack	14
Sanscrit, Calcutta	21
Madrasa, "	17
Hooghly	42
Dacca	26
Krishnagarh	15
Berhampore	12
Rajshahye	9
Midnapore	1
Chittagong	3
TOTAL	3,00

the salaries of the staff, on the one hand, and loses the fees hitherto collected on the other. The figures in the margin show the net cost of the Arts Colleges to Government in 1884-85 (see paragraph 41 of the Departmental Administration Report). Midnapore will be taken over by the Municipality with its existing staff; the net cost to Government has been Rs.1,000, and a grant of about that sum will have to be made under the rules, so that the change will involve no reduction of expenditure.

Berhampore will probably be closed; it has cost Rs.12,000 net, but Government will have to pay the salaries of the Principal and two Professors till they are absorbed elsewhere; these amount to about Rs.1,000 a month; and the only gains will be the saving of contingent expenditure, about Rs.1,000, and the cessation of charges for repairs.

234. It follows from these considerations that the chief or only reduction of expenditure under the heads of Inspection and Colleges will be obtained by reducing the numbers

Reductions in the graded Educational service necessary.

of the graded services. The superior service consists of 41 officers, who are, at the time of writing, thus distributed: Director 1, Inspectors 5, Principals 9,

Director	1
Inspectors	5
Principals (Presidency, Seebpore, and Patna Colleges)	9
Professors—	
Presidency College	8
Patna	3
Seebpore	3
	21

Professors 18, Furlough 5, lent to other Governments 3. If the requirements of the service are fixed, as we recommend, on the scale shown in the margin, the number would be reduced to 21. In the last five years there have been about two vacancies a year, and at this rate it would take ten years to absorb the necessary number. Similarly, in

the subordinate graded service, there are in the colleges we propose to reduce

(a) Hooghly	3
Krishnagarh	5
Dacca (Besides two outside the list)	3
Rajshahye	3
Berhampore	3
Chittagong	4
	21

21 (a) Professors, who will have to be absorbed. If the colleges are taken over with their staff by the Municipalities or by Local Committees, it will simplify the process; otherwise the absorption will take some time. During the last five years there have been about twelve vacancies annually, so that

the 21 posts can be absorbed in two years, including vacancies in the lower grades, and the reduction can be carried up to the higher grades in about five years.

235. We may therefore assume that the superior service will be diminished by two posts every year, and if the service is not regraded, but keeps the same number of posts in the higher grades as now, the reductions will all be in the fourth or lowest grade—Rs.500 to Rs.750. There will therefore be a saving of Rs.12,000 in the first year, Rs.24,000 in the second, and so on up to Rs.60,000 in the fifth. We take for the Contract the average reduction of Rs.36,000. In the subordinate grade there will be a reduction of twelve places in the first year and of 21 in the second; it is difficult to say in what grades those reductions will occur, but it seems fair to assume that they will be in the fourth grade, and that the reduction will reach $21 \times 150 \times 12$, or Rs.37,800, in the second year of the Contract. For the whole term of the Contract we assume a reduction of 30.

236. The Law schools are self-supporting, but the Civil Engineering College at Seebpore is very far from being so, the total cost being 69, out of which Government pays 63, the

Technical colleges and schools.

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pupils' fees and other items amounting only to 6. In the School of Art also the fees amount only to 3 out of 22; and the cost to Government per head in these two institutions is R306 and R115 respectively. Efforts should, we think, be made to induce the payment of larger fees and to reduce the scholarships and stipends to what is absolutely necessary; we hear of some unusually large scholarships in the Engineering College.

237. The High schools are 52 in number. We learn that the Government

Collegiate and High schools.

propose to transform them into Aided schools by degrees, beginning with sixteen at first. But as Government only gives a net grant to these schools and does not wholly support them, there will be little saving by the transfer, the grant-in-aid being equal

	Present grant. R	Proposed grant. R
10 Collegiate and Branch schools	39,850	36,270
37 Zilla High schools	75,588	71,760
	<u>1,15,438</u>	<u>1,08,030</u>

to the present "net grant," though there will be some economy in regard to repairs and pensions. The net grants now given will be subject to reconsideration every year, and we are informed by the Director that a reduction has been decided on, as in the margin, for next year. We may take credit

therefore in the Contract for a saving of 7.

238. We have examined the expenditure in the other Government schools, and have no suggestion to make regarding it.

Other schools.

239. The grants-in-aid have increased more rapidly than any other part of the expenditure. They have been as follows:—

Grants-in-aid.

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87. (Budget)
	R	R	R	R	R	R
Primary and Hill Schools . . .	4,89	6,01	6,51	7,94	7,32	7,72
Secondary Education . . .	4,26	4,53	4,88	5,84	5,08	5,41
Buildings and Furniture . . .	...	...	...	1	38	89
Special Grants to Private Schools	15	22	9	...	...	...
Deduct Probable Savings . . .	...	...	...	...	...	—33
	<u>9,30</u>	<u>10,76</u>	<u>11,48</u>	<u>13,79</u>	<u>12,78</u>	<u>13,69</u>

240. We understand the general policy of the Government of India to

No reductions feasible in grants for Primary or Secondary education.

be that Primary education has the first claim on the State; and that, though Secondary education has also a claim, it ought, if possible, to be paid for, at any rate to a large extent, by those who profit by it, and Government should gradually recede from its support. We do not recommend any interference with the amount of the grant to Primary schools (the question of its distribution is a matter

of administration), but the grant to Secondary schools should, if it is at all excessive, be reduced. But when we examine the details of this grant, we find there is little room for retrenchment. The principal sub-heads are shown in the margin, and it is clear that the increase in the case of Native colleges and schools is due to the growth of the number of the institutions rather than to more liberal grants; while the main increase is attributable to the settled policy of the Government of India as regards the teaching of poor Europeans. We do not think the figure for the future Contract can be placed lower than that of the present year.

GRANTS-IN-AID. Secondary Education.	1881-82.		1885-86.	
	No.	Amt. R	No.	Amt. R
Colleges . . .	5	21,540	6	24,217
European Schools—				
High Eng- lish . . .	3	7,540	7	15,786
Middle English . .	10	13,201	32	62,251
Primary . .	6	2,809	17	10,427
Native Schools—				
High Eng- lish . . .	101	68,064	130	73,036
Middle English . .	468	1,21,332	547	1,36,599
Middle Ver- nacular . .	791	1,01,507	857	1,15,225
		<u>3,38,993</u>		<u>4,38,441</u>

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241. As to building grants, they are chiefly made to European schools in consequence of the effort connected with Archdeacon Baly's name, and the construction of such new schools will not go on much longer. The Director, Public Instruction, states that he requires 40 for the next three years and 10 for the two succeeding years; we place the figure at 30 for the period of the Contract. This reduces the entire provision for grants-in-aid by 59.

242. There are some minor reductions to propose. The Government has decided to stop (at least for a time) the sending of scholars to Cirencester. The Budget contains a grant of £2,000 for their passage and outfit, which need not be repeated, and of £10,000 for their scholarships at £200 a year to each, the number now in England being 5. Of these, two will return in 1887-88, one in 1888-89, and two in 1889-90, so the grant required will be 10, 6, and 4 for these three years, and afterwards nothing, which gives on the average of five years a saving of 6. A similar sum of £1,000 is provided for passage and outfit of the Gilchrist scholars, and this may now cease. The *Education Gazette* costs £3,600, and the Director agrees that it need not be kept up. Since our conference, however, with His Honour the Lieutenant-Governor, we have learned that the Government of Bengal has already proposed to discontinue this grant, and that the Government of India (Home Department No. 364, dated October 2nd, 1886) has requested that the question may be postponed for a year. The reduction might, however, come into effect on the 1st of April next. There is a grant of £3,000 for the purchase of Uriya books, which may be reduced to 1. Thus the total saving under this paragraph will be $2+6+1+3+2=14$.

243. *Receipts.*—The Receipts are composed almost entirely of fees, and though we learn that some increase is expected, there will be no large and general rise, and the fees from colleges will decrease, if Government retains only three of them under its own control. We therefore leave the Budget figures 5,56 unaltered.

MEDICAL.

244. The Medical expenditure and receipts are as follows:—

	1884-85.	1885-86.	Budget, 1886-87,	Committee's Estimate.
<i>Expenditure—</i>				
Establishment	4,99	4,62	4,92(a)	4,70
Hospitals (including Lock Hospitals)	3,82	3,94	3,73	3,73
Medical College and Schools	2,36	2,34	2,43	2,43
Sanitary Commissioner	40	41	38	38
Vaccination	1,34	1,43	1,37	1,37
Grants	48	46	50	50
Lunatic Asylums	1,14	1,13	1,10	1,10
Chemical Examiner	3	5	5	5
Refunds . . . . .	...	...	2	...
TOTAL	14,56	14,38	14,50	14,26
<i>Receipts—</i>				
Fees	20	23	20	1,41
Hospital Receipts	64	64	56	
Lunatic Asylums	30	26	31	
Contributions	30	30	30	
Miscellaneous	4	3	4	
TOTAL	1,48	1,46	1,41	1,41

(a) Deducting 5 transferred to furlough.

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Establishment. 245. *Expenditure*.—The Superior Medical Establishment of the Bengal Presidency is thus composed :—

<i>Inspector General of Civil Hospitals and Sanitary Commissioner</i>	2
Calcutta Medical Staff	14
Deputy Sanitary Commissioners(a)	3
Assistant Opium Agents	2
Inspector General of Prisons	1
Superintendent, Botanical Gardens	1
<i>District Surgeons (Commissioned)</i>	32
<i>District Surgeons (Uncovenanted)</i>	11
<i>Port Health Officer, Calcutta ; Civil Surgeons, Serampore and Goalundo, and Northern Bengal State Railway</i>	4
TOTAL	70

(a) Besides four who are Assistant Surgeons.

246. The officers, whose designations are printed in italics, are charged under Medical Establishment ; the other appointments come under other heads.

247. One other Civil Surgeoney, Jalpaiguri, is provided for by an allowance given to the Military Medical Officer stationed there.

248. As regards the first two appointments, we have to recommend in Bengal, as we have done in other provinces, the amalgamation of the appointments of Inspector-General of Civil Hospitals and of Sanitary Commissioner. The former officer informs us that he does not, as a matter of fact, undertake the inspection of hospitals, so that his work in connexion with them is confined to what can be done from a central office. In regard to this it must be remembered that the transfer of many of the hospitals to Local and Municipal management has necessarily considerably diminished the office work involved, so far at least as relates to control of expenditure. The control of the *personnel* is also a matter that can hardly occupy much of the time of the Inspector-General. We cannot see what difficulty the Sanitary Commissioner would have in adding to his own work all that the Inspector-General does. His own work is reckoned under the three heads of Sanitation, Vaccination, and Mortality Statistics. Of these the latter is admittedly mere compilation work for clerical establishments ; and for half the year, while the Sanitary Commissioner is at Darjeling, it goes on in Calcutta without his personal direction. In the Vaccination Department, the inspection and testing of operations is done by Inspectors and Deputy Sanitary Commissioners, and the Sanitary Commissioner himself merely receives the reports, and exercises general control. The principal duty, that falls on the Sanitary Commissioner personally, is that, during the cold weather, he visits as many as convenient of the towns and Municipalities, recording his advice and suggestions, so that the Magistrates and Commissioners may bring them before the Municipalities. Important as this work is, it is not so engrossing as not to leave time for the inspection of hospitals and for examination into their efficiency ; and as it is mainly carried on in the very places where these institutions exist, the nature of the work affords a strong argument of itself in favour of the formal combination of the Inspector-General's duties with those of the Sanitary Commissioner. It certainly appears to us that, for at least six months of the year, even the combined duties of the two offices hardly afford sufficient employment for one man.

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249. The Government of Bengal inform us that they are prepared to accept our proposal in this matter, provided that (1) the combined officer be appointed by, and be subordinate to, the Government of Bengal, and (2) he be allowed a Deputy from among the Commissioned staff. The last condition can be complied with, as will presently be explained, without more cost than is involved in the appointment of a new Assistant Surgeon; or rather, as the Government has already a large number of supernumerary Assistant Surgeons, without any extra cost at all (*vide* paragraph 282). The first condition has reference to the existing system under which the appointment of Inspector General of Civil Hospitals in Bengal is treated as a step in rank given by the Government of India to an officer of the general Medical Staff, who may even have no previous acquaintance whatever with the province. We do not know what the necessity is for thus dealing with the appointment, but it is obviously desirable that if the Bengal Government is to have only one adviser in medical matters, instead of two as at present, that one should be of its own selection, and in its confidence.

250. The Medical Staff in Calcutta is composed of ten officers attached to the Medical College and the College Hospital, of three Surgeons attached to the General Hospital (and charged under Hospitals and Dispensaries), and of one for the Sealdah Hospital and Medical School. The list of the first ten is as follows:—

No.	Professorships in Medical College.	College and other Hospital duties.	Other duties.
1.	Medicine	Principal and first Physician.	
2.	Surgery	First Surgeon	Presidency Surgeon.
3.	Materia Medica and Clinical Medicine.	Second Physician	Inland Emigration (a) and Customs Preventive Service.
4.	Anatomy	Second Surgeon.	
5.	Midwifery	Eden Hospital	Presidency Surgeon.
6.	Chemistry		Chemical Examiner.
7.	Pathology	Resident Physician.	
8.	Physiology	<i>Nil.</i>	
9.	Ophthalmic		Port Commissioners and Mayo Hospital (b) and Marine Surgeon.
10.	<i>Nil</i>	Resident Surgeon.	

(a) Paid by a local allowance.

(b) Both reckoned as private practice.

251. For reasons which have been given in our remarks on Bombay (*vide* Chapter VI, paragraph 128, page 146), it is not possible to avoid employing a large number of medical men as Professors; and to judge from the allotment of duties in the other presidencies, a Professorship with an attached Hospital duty, or with an attached District Surgeoncy, is the ordinary work of one individual, apart from minor duties. District Surgeoncies are not assigned in Calcutta, as in Madras and Bombay, as the distances to be traversed are not so great as in those cities; but the Professors, except No. 6 and No. 7, distribute the district work among them. The Professors of Chemistry, of Ophthalmic Surgery and of Physiology are the only officers who have not specially assigned duties in a Government hospital; and therefore the difference between the medical staff of the college in Bengal and that of those in Madras and Bombay is mainly this, that in the

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latter places Hospital duties and District duties are divided between different officers, while in Calcutta about the same number of men cover the same ground, but do not make the distinction between the two classes of duties.

252. One possibility of a reduction in the staff lies in the consideration whether the two Professors of Physiology and Ophthalmic Surgery (who, as already mentioned, have not, like the rest, specific Hospital duties) could not be charged with part of those connected with the General Hospital, where there is a Surgeon Superintendent, and two Resident Surgeons; but this last institution is a very important one, and is so distant from the Medical College and its Hospital that it seems necessary (as in the case of Bombay, where however the Hospital is much smaller) to provide it with a special staff, and not merely treat it as an additional duty.

253. Another method of retrenchment lies in the substitution of independent practitioners, receiving grants from Government for such official duties as they perform, but relying on private practice for the bulk of their income, for Commissioned Medical Officers in permanent employment. The Government is bound to supply medical advice and treatment for its officers; and in small stations this can only be done by entertaining Civil Surgeons in its permanent service: but at great centres like Calcutta independent men would readily set up for themselves if they were not deterred from doing so by the fear of a competition on unequal terms, and if they could rely on a moderate grant-in-aid as remuneration for their attendance on Government servants, and on obtaining the allowances suitable to Medical Professorships.

254. It should be noted that, according to the orders of 1867, which regulate the existing distribution of appointments, the second duty of the Professor of Ophthalmic Surgery was that of Marine Surgeon; but now that the port has been transferred to the management of the Port Commissioners, this duty, as a Government duty, means nothing more than medical attendance on members of the Pilot Service; and though the same officer performs also the remaining duties of the Marine Surgeon, he gets an allowance of R300 from the Port Commissioners in respect of them.

255. The Superintendent of the Sealdah Hospital holds an appointment of a peculiar nature. The highest appointment among the Professorships carries an allowance of R850, R1,050, or R1,250 only, according to standing; and it is expressly laid down that minor Professorships are not to be added to any officer's allowances, so as to increase the total above the pay of a full Professorship. The Superintendent of the Sealdah Hospital has, however, no special salary assigned him, but has a group of appointments separately paid, namely, Hospital Superintendent R300, Police Surgeon R300, Coroner's Surgeon R500, Superintendent, Lock Hospitals, R300, Superintendent, Medical School, R250; total R1,650. It would be better to pay a single salary for the combined duties; the charge of the Medical School perhaps being provided for as in the other similar cases by an additional allowance. We have recommended elsewhere (see paragraph 159) that the remuneration allowed to the Coroner's Surgeon, shall be reduced to R200 per mensem.

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256. For the last three items in the list of the Medical Staff given in paragraph 245 we have (excluding the Northern Bengal Uncovenanted Civil Surgeons in the Mofussil. Railway appointment, which is not in the Civil Estimates) forty-six officers required, of whom fourteen may be Uncovenanted. The Estimates provided thirty-seven Commissioned and nine Uneovenanted officers, but as some of the former have been called away for field duty in Burma, the number of Uncovenanted is now nearer, if not up to, the maximum. The Lieutenant-Governor is willing to employ the full number continually if it suits the arrangements of the Government of India that he should do so.

257. One of the Civil Surgeons, namely, the Civil Surgeon of the 24-Per-gunnahs, has an Assistant. We learn that this officer is permitted to undertake private practice; and we hold, as we have held in other provinces, that a Civil Surgeon who is relieved of part of his own duties, so that he is able to undertake private work which is profitable to himself, should not be allowed to throw upon Government the cost of that relief. The charge to Government seems all the more unnecessary in this case, as the Civil Surgeon in question, while having an Assistant, paid by Government, for his ordinary duties, himself gets a special allowance of Rs300 for certain extra duties connected with emigration (*vide* paragraph 293).

258. It is convenient here to notice the special allowances given to the medical officers attending colleges, of Rs100 if Surgeons, or of Rs50 if Assistant Surgeons. Regarding these we have the same remark to make as in other provinces, that the attendance upon the gazetted staff is part of the ordinary duties of the medical officers of districts, and that as regards students there is no reason why Government should make any special arrangements for their medical care more than for that of any other members of the general public; and we doubt whether as a matter of fact they largely avail themselves of the services of the medical officers. The Government of Bengal have, as we understand, relieved Civil Surgeons of the duties in respect of which the allowances were given, and the rule now practically applies to Assistant Surgeons only.

259. We make some remarks further on on the subject of the allowance of Rs250 in three cases and of Rs150 in one case for the charge of Medical schools. Two of the officers concerned have a large number of emulative allowances. (See paragraph 278.)

260. The establishment charges included under "Medical Establishment" are (1) the office of the Inspector-General, (2) 44 clerks and 45 peons for the Civil Surgeons of districts, (3) one Hospital Assistant at Darjeeling, and four Compounders employed at the civil stations of Dacca, Hooghly, Moorshedabad, and Patna.

261. With respect to the last, we have not been informed why it is found necessary to make arrangements there different from those in force at other stations. The local hospitals, which are supported by Municipalities, ought to suffice at these four stations as well as at all others.

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262. As regards the office establishment of the Inspector-General, it seems to us to be on a much higher scale than, judging from the corresponding establishments in other Provinces, is at all necessary. Besides a Personal Assistant on R250—400, there is one clerk on R150—200, two clerks on R100—150, three clerks on R75—100, and ten clerks on lower salaries, giving on the whole an annual cost of R17,000. The corresponding officer in the North-Western Provinces has an establishment costing only R7,000; the Madras office (if we omit the Secretary whose work corresponds to nothing in Bengal) costs a little over R8,000.

263. We understand that the Government of Bengal have instructed a special officer to enquire regarding the work done by these establishments, and we therefore leave the subject for their disposal.

264. The amount of the charge under Medical Establishment depends upon the rank of the officers and upon the number who happen to be on leave. There has been little alteration in the whole number charged, and the expenditure since 1882-83 has been 4,61½; 4,65½; 4,92 (of this excess 13 comes under the single salary of the Inspector General of Civil Hospitals, and was exceptional); and 4,62. The Budget provides 4,97. This is not likely to be worked up to, first, because it appears in itself to be too high an estimate, and, secondly, because the detachment of some officers to Military duty in Burma and elsewhere is likely to make the actuals of 1886-87 lower than the average. We may take 4,70 pending consideration of the Revised Estimate. It is possible, we think, that the actuals of 1886-87 may be as low as 4,50 from the causes we have mentioned. In that case, the Revised would probably not be a safe index of future requirements.

265. The following figures show the Hospital and Dispensary charges distributed between Calcutta and the Mofussil, the Howrah and Sealdah Hospitals being reckoned as belonging to the former :—

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.
<i>Calcutta—</i>	R	R	R	R	R
Salaries	83	73	84	85	86
Establishment	65	66	65	67	69
Supplies	1,00	1,15	1,04	} 1,51 {	1,35
Contingencies	18	12	18		20
TOTAL	2,66	2,66	2,71	3,03	3,10
<i>Mofussil—</i>					
Salaries	71	80	86	85	85
Establishment	42	19	15	21	36
Allowances	2	6	5	5	5
Supplies	4	3	4	} 18 {	1
Contingencies	16	14	12		7
TOTAL	1,35	81	72	79	84

N.B.—Salaries include Medical Officers and Assistant Surgeons. Hospital Assistants come under Establishment.

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The Calcutta Hospitals. 266. The Calcutta Hospitals are the following:—

General Hospital.—For Europeans; supported by Government, which assigns to it a Surgeon Superintendent and two Resident Surgeons. It has the greater part of an income of 64 from paying patients, of which half is received, on account of sailors, out of dues on shipping.

Medical College Hospital and Eden Lying-in Hospital.—In connection with the Medical College.

Sealdah Hospital.—The Calcutta Municipality contributes R30,000 to this hospital, being about half its cost.

Howrah Hospital and Mayo Native Hospital.—These hospitals are largely supported by endowments and subscriptions, but Government gives them grants of R37,000 and R4,400 respectively (see under “Grants for Medical Purposes,” paragraphs 283 and 284) and the Howrah Municipality gives R2,600 to the Howrah Hospital.

267. The cost of the Calcutta hospitals has been steadily increasing, almost the whole of the increase being under the

Increased cost of supplies.

head of Supplies, that is, mostly diet and medicines.

The attention of the Local Government should be drawn to this. It might be advisable to institute an enquiry into the causes of this increase.

268. Under Mofussil hospitals, the cost decreased in 1882-83 by R50,000

Mofussil hospitals, transfer of charges to Local bodies.

or R60,000 under the arrangements by which the Government took over Police charges from the

Municipalities and handed over to them the Hospital charges. And from figures given us by the Government it appears that Municipal and Local expenditure upon hospitals and dispensaries has increased by the same amount of R50,000 or R60,000.

269. The number of hospitals and dispensaries in the Mofussil, on 30th December 1885, was as follows:—

5 entirely supported from private sources.

228 receiving aid to various extents.

270. The figures above shown as charged to Government for hospitals and

Government expenditure on Mofussil hospitals.

dispensaries include charges which really lie outside, although they are connected with those institutions.

271. The Government has a very large number of supernumerary Assistant Surgeons and Hospital Assistants on its staff. The last return we have shows 23 of the former, costing R28,800 and 69 of the latter costing R10,740. These men it distributes to the hospitals and dispensaries in Calcutta and in the Mofussil, and although they are charged in the accounts under Hospitals and Dispensaries, they are not dealt with as dispensary charges for the purpose of the dispensary rules; that is, their support is not contributed to by the Managers of the dispensaries.

272. In the second place, there are a number of Hospital Assistants attached to sub-divisions, who are also placed in charge of the dispensaries with a small additional allowance, and in these cases the additional charge only is reckoned as incurred in the dispensary, though the whole amount is charged under this head.

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273. Thus, although the Government accounts show that R70,000 or R80,000 are spent upon hospitals and dispensaries, the Hospital Report gives the following as the accounts of these institutions, for 1885:—

	R
Paid by Government	18,659
„ Local or other Funds	1,18,685
„ Municipal Funds	1,43,574
Investments	30,890
Subscriptions	1,23,057
	<hr/>
TOTAL	4,34,865

Whether we take the full R84,000 shown by the Government accounts; or the smaller amount shown in the dispensary accounts, the amount contributed by Government is fairly met by contributions from other sources. The contrast in this respect between the Mofussil and the Metropolitan institutions is very marked.

274. Economy can be sought for in the expenditure under this head only by reducing the establishment of Assistant Surgeons and Hospital Assistants, which Government has on its hands, coming down from a time when qualified officers of this class had a claim to enter Government service at once. One measure, that will be effectual to this end, has recently been sanctioned, namely, that Government may in certain cases encourage the employment of its supernumeraries in preference to other candidates by contributing towards their allowances. It might be found possible also to reduce the heavy and increasing miscellaneous expenditure in the Calcutta hospitals.

275. We have already dealt with the question of the staff of Professors at the Medical College in Calcutta. We have only to remark further that the fees paid by the students are on a very low scale as compared with Bombay and Madras, as may be seen from the following statement of their amount:—

Bombay,	R120 a year.
Madras,	R105 to R155 „
Bengal,	R60 „

As the medical profession has been largely adopted by Natives of Bengal as a paying profession, it seems advisable that they should contribute a little more towards the heavy expenditure upon the college, and there is no sufficient reason why they should pay only half of what the students are charged in the other presidencies. The amount paid by the 132 students (the number on 31st March 1885), supposing all paid at full rates, is only eight months' salary of one of the ten Professors, to say nothing of the rest of the staff and of the other expenditure.

276. There are four Medical schools,—Sealdah, Dacca, Patna and Cuttack—where the instruction is given in the vernacular, and the licentiates are of the vernacular class. We think that the fees at Calcutta and Dacca may well be raised above the present standard of R3 a month, and that such an increase as may be found practicable should be enforced at Cuttack and Patna.

The Future Provincial Contract with Bengal.

Medical.

277. Small as the income from fees is, even that small amount is to a large extent illusory, for while the fee income from all sources is only Rs20,000, there are given to the students stipends amounting to Rs10,000 and prizes amounting to Rs1,000.

Fee income, students' stipends, &c.

The allowances for the charge of Medical Schools should be reduced unless the Civil Surgeons take part in the vernacular instruction given.

278. We observe that the four medical officers who have charge of the Medical schools (the Civil Surgeons of Dacca, Cuttaek and Patna, and the Superintendent, Seal-dah Hospital) get allowances, in three cases of Rs250, and in the Cuttaek case of Rs150, for charge of the schools. We are given to understand that in two cases, if not in three, the medical officers in charge are unable to lecture in the vernacular in which the instruction is entirely carried on. If that is the case, we think that their general charge of the institutions is far too highly paid. The Civil Surgeon of Dacca has, in fact, four charges besides his Civil Surgeoncy, namely, Mitford Hospital Rs200; Medical School Rs250; Jail Rs100; Lunatic Asylum Rs250; and as the Civil Surgeoncy is otherwise one of the heaviest in Bengal, and involves a good deal of private practice, we do not see how the officer who holds all these appointments can give them sufficient attention to justify the high allowances.

279. We recommend that the allowance for charge of a Medical school be reduced to Rs100, unless the Civil Surgeon in charge undertakes a definite share in the vernacular instruction given.

280. For vaccination purposes Bengal is divided into seven circles (excluding Calcutta which is a circle by itself, and where the work is at the charge of the Corporation); and for the oversight of these seven circles there are seven Superintendents (who are also Deputy Sanitary Commissioners) and ten Deputy Superintendents, of whom three are Commissioned Medical Officers and fourteen Assistant Surgeons. The duties of the seventeen men are very similar. They have under them, on the average, each—

- 15 Vaccinators, working under 1½ Head Vaccinator; and
- 63 Licensed Vaccinators, working under 5 Inspectors.

Municipalities keep up their own vaccinators, who are supervised by the Local Medical Officer (Civil Surgeon or Dispensary Officer), not by the Superintendent or Deputy Superintendent.

281. The Superintendents and Deputy Superintendents, besides their work connected with vaccination, have also to report generally upon the sanitary condition of their districts; and they ought, according to the prescribed system, to be out in camp from November 1st till March of each year—a requirement which is fairly acted up to.

Superintendents and Deputy Superintendents of Vaccination.

282. The employment of Commissioned Officers as Superintendents of Vaccination (and Deputy Sanitary Commissioners, this appointment being combined with the Superintendencies) is obviously not required, except perhaps in one case, by the nature of the duties involved, for, out of the whole number of seven men employed on the same duties, four are Assistant Surgeons and three are Commissioned Officers, who cost three or four times as much as Assistant Surgeons. It would seem preferable to employ Assistant Surgeons only in all the appoint-

Employment of Commissioned Officers unnecessary.

The Future Provincial Contract with Bengal.

Medical.

ments. Before this change can be made, however, the number of Commissioned Surgeons which the province is bound to keep on must be reduced. We recommend that this should be done, and that allowance be made for it in the Contract. We have noted above that, if the Sanitary Commissionership and the Inspector Generalship of Civil Hospitals are combined in one officer, it may be necessary to give the combined officer a Commissioned Officer as Deputy. This Deputy can be provided from the list of existing Circle Deputies, by the substitution in the latter appointment of an Assistant Surgeon.

283. Nearly the whole of the expenditure under the head of grants for Medical purposes is accounted for by two items—a grant of R37,366 to the Mayo Hospital in Calcutta, and another of R4,400 to the Howrah Hospital,—both of which have been noted under “Hospitals.” The remaining expenditure is mostly expenditure on epidemics.

284. With reference to the first of these grants it is right to note that the Governors of the Mayo Hospital give an allowance of R525 a month to their Superintendent, who is one of the Calcutta Medical staff,—is in fact the Professor of Ophthalmic Surgery, referred to in para. 251 as having no specially assigned Government Hospital duties. If the Mayo Hospital were a Government Hospital, the arrangements made in respect of other medical duties show that the Ophthalmic Professorship and the Superintendency of the Hospital would not be allowed for at so high a figure as the salary of a full Professorship *plus* R525, but would be, at the scale of the Scaldah Hospital, R300. As the large allowance given by Government to the Mayo Hospital has the practical effect of enabling the Governors to fix upon Government the stipend of the Superintendent at this high rate, it seems possible that arrangements may be made to reduce the cost in future by R2,700.

285. There are five Lunatic Asylums, besides the European Asylum at Bhowanipore. They are all fairly full, and there is therefore at present no question of the possibility of reducing their number. The cost of diet and clothing is, in the asylums at Berhampore, Patna and Dacca, R33 to R37 a head; at Dullunda we note that it is half as high again, R51.

286. As the Chemical Examiner's salary is charged under Medical College, the 5 provided under this sub-head is only on account of two assistants' salaries (R2,760) and some miscellaneous expenditure.

287. *Receipts.*—The first head of receipts, College and School Fees, has been dealt with in connection with the Medical College.

288. The hospital receipts are almost all realised in Calcutta. About half the amount is a charge of a rupee a day for seamen admitted to the General and the Howrah Hospitals, and realised out of dues on the shipping in the port; the other half is paid by other patients.

289. The 30 under “Contributions” is the fixed sum of 30 paid by the Calcutta Municipality towards the Scaldah Hospital.

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Scientific and Minor Departments.

SCIENTIFIC AND MINOR DEPARTMENTS.

290. The expenditure and receipts classified under the chief sub-heads of "Scientific and other Minor Departments" have been as follows (the figures in brackets indicate the receipts):—

	1891-92.	1892-93.	1893-94.	1894-95.	1895-96.	1896-97. Budget.	Committee's Estimate.
1. Exploration of Coal and Mines	R 5	R 12	...	...	...	...	...
2. Bull and Stallion Charges	6	4	3	2 (1)	...	...	...
3. Census	1,77	30	3	2	2	2	2
4. Registration, Railway Traffic.	1	1	1	1	2	1	1
5. Ditto River-borne Traffic	16	17	17	16	14	19	17
6. Provincial Statistics	...	...	...	2	20	21	4
7. Examinations	...	...	...	2 (1)	3 (2)	2 (1)	2 (1)
8. Agricultural Department establishment	...	...	...	4	45	12	12
9. Model Farms	...	...	...	3	...	12	12
10. Veterinary College	...	...	...	...	...	25	...
11. Economic Museum	17	18	15	13	13	10	13
12. Donations to Scientific Societies	9	8	8	8	13	12	12
13. Cinchona Plantations	1,11	1,04	1,60	1,15 (1,23)	1,04 (95)	1,08 (1,16)	1,08 (1,16)
14. Exhibitions and Fairs	26	11	60	55 (1)	47 (8)	4 (1)	4 (1)
15. Botanical Gardens	1,10	1,17	1,07	1,04 (2)	1,03 (2)	1,00 (3)	1,00 (3)
16. Provincial Emigration	23	28	23	24 (27)	23 (11)	24 (25)	20 (25)
17. Miscellaneous	2	...	1	(1)	...	...	23
TOTAL	5,03	3,50	3,98	3,51 (1,56)	3,89 (1,18)	3,52 (1,46)	3,80 (1,46)

291. *Expenditure.*—The figure shown against "River-borne Traffic" (item 5) is stated to be an over-estimate and 17 is said to be all that is required.

292. "Provincial Statistics" (item 6) represent a special expenditure on Ethnological enquiries conducted by Mr. Risley, which are not expected to continue beyond next

year. We therefore provide for it in the Contract only one-fifth of the sum required, or 4 for each of the five years. The Agricultural Department will in future be shown under

Land Revenue, where the salaries of the Director and his two Assistants are already shown. The figures in the above table (items 8 and 9) represent the salaries of the establishment and contingencies, and a grant for experiments in agriculture which has not as yet been utilised. As already stated (paragraph 24), we do not recommend the reduction of this department and have made

provision for the continuance of these charges. The Veterinary College has not been started and the

proposal to establish it has been abandoned. The Economic Museum (item 11) has recently been

amalgamated to a certain extent with the Indian Museum, and the establishment revised at a slightly increased cost: we provide 13 for this sub-head.

The Cinchona Plantations near Darjeeling more than cover their expenditure. The Superintendent,

Dr. King, informs us that he thinks the Budget figures of the present year may be accepted as a safe estimate for future years. The sale of febrifuge has been falling off, but it is believed that a method of preparing sulphate of quinine has been discovered, which will bring in a large profit, even at the present low price of the bark.

293. The expenditure under Exhibitions and Fairs has been swelled by the Calcutta and London Exhibitions, but no provision

need be made in the future Contract for any such exceptional outlay. Under Botanical Gardens (item

Botanical and Zoological Gardens.

The Future Provincial Contract with Bengal.

Superannuation Allowances and Pensions.

15) are shown the Botanical Gardens at Calcutta (70) and Darjeeling (8.5) and three grants, one of which is a grant of 20 for the Zoological Garden, Calcutta. We think the latter expenditure might be reduced and replaced by larger contributions from the Municipality or the Public, but we do not propose any reduction on this account in the Contract, as the Local Government, though agreeing with us, does not think it possible to obtain such contributions.

Emigration.

Provincial emigration, or the cost of supervising the emigration to the colonies, is supposed to be covered by fees, but the fees have of late shown signs of falling off. There is a Protector of Emigrants, a medical man, with a Personal Assistant, three-fifths of whose salary is charged to this head, and two-fifths to Inland Emigration. Besides this, an allowance of Rs300 on account of Medical Inspection is given to the Civil Surgeon of the 24-Pergunnahs (*vide* paragraph 257). We think this might be retrenched and the whole of the work be done by the Protector, but as the cost of the establishment is intended to be met by the emigration fees, the suggestion need not perhaps be insisted on, if the colonial authorities prefer to have two separate officers to take up the two departments, into which the work is divided. Inland emigration (to Assam) is a Local charge and is not

Donations to Scientific Societies

included in the Provincial figures. The donations to Scientific Societies (item 12) consist of a fixed grant of 6 to the Asiatic Society, and of a grant to the Agri-Horticultural Society, which has recently risen from 2 to 6. In neither of these do we propose any change.

294. The total of our provisions amounts to an obligatory expenditure of 3,07. But, as unexpected demands for expenditure

Margin provided.

always arise, and the average of past years is about 3,50, we think it better to provide an additional 23, making a total of 3,30. This will provide a margin for meeting the charge for Ethnological enquiries in the first year of the Contract and any unforeseen charges in after years.

295. *Receipts.*—The receipts have varied from 1,97 in 1881-82 to 1,68; 2,05; 1,56 and 1,18; and are placed at 1,46 in the Estimate of the current year. The principal items are the Cinchona receipts (1,19), which may be expected to increase, and the Emigration fees (25). The Budget of 1886-87 may be taken, subject to the Revised Estimate.

SUPERANNUATION ALLOWANCES AND PENSIONS.

296. *Receipts.*—The receipts by contributions for pensions were 52 in 1885-86. The Budget Estimate for 1886-87 is a little less. It may be taken pending the Revised.

297. *Expenditure.*—On the expenditure side, the charges for pensions in

Pensions.

the four years ending 1885-86 have been 10,25; 10,80; 11,29 and 11,80, showing a steady rise of just over half a lakh a year. The Estimate for 1886-87 is 12,93, which would appear *prima facie* to be excessive.

298. The charges for Compassionate Allowances and Gratuities were high

Gratuities, &c.

in 1882-83, owing mainly to the reductions in the Customs establishments. After that they were 60 in 1883-84, 42 in 1884-85, 54 in 1885-86, and are estimated at 81, which also appears rather high, in 1886-87.

Future estimate.

299. It would appear safe, pending the Revised Estimate, to reduce the Budget of 1886-87 by 50, and to take 13,24.

The Future Provincial Contract with Bengal.

Stationery and Printing.

300. The particulars of the increase of the pension list appear from the following comparison:—

	1882-83, Budget.	1886-87, Budget.
Land Revenue	99	1,57
Opium	36	44
Customs	68	1,17 (Special reasons).
Administration	1,26	1,48
Law and Justice	2,20	2 72
Police	1,58	2,07
Education	31	71
Medical	10	29
Other Heads	2,29	2,78
	<u>9,77</u>	<u>13,23</u>

N.B.—The pension list here shown, for certain reasons, does not agree with the payments charged in the Bengal accounts.

301. We have decided to recommend to the Government of India that in all provinces the charge for Superannuation shall remain provincial instead of being Imperialised, in order to secure that watchfulness and strictness in the bestowal of pensions, which might possibly be wanting, if the Local Government had no interest in economy. The Local Members would prefer to see the head Imperialised, on the ground that the total amount has increased rapidly during the last Contract and has swallowed up a large portion of the augmenting revenue of the province. In order to meet this objection, we recommend that the estimated annual increase should be shared between Provincial and Imperial. This increase, as it appears at present, is 50, and if the Provincial Assignment were increased by 25 every year on this account, the Provincial Government would be relieved of half the charges, but it would deal with every individual case as if it had to bear the whole charge. An instance has been brought to our notice, in which a Translator in the High Court, after being pensioned, was taken back on the same duty, and now draws both his pension and the full pay of his post. Such cases are hardly likely to become common, but it is at least prudent that, so long as they are possible, the Imperial Treasury should not undertake to bear the whole of the cost.

STATIONERY AND PRINTING.

302. The following are the details of transactions under this head since 1883-84:—

	1883-84.	1884-85.	1885-86.	1886-87, Budget.
<i>Expenditure—</i>				
Stationery Office	1,12	1,00	1,02	1,13
Country purchases	80	79	76	83
Supplies from Central Stores	4,40	5,71	5,81	5,90
Secretariat Press	2,18	2,49	4,28	2,94
Jail Press	48	50		
Government Publications	24	25		
Indian Law Reports . . . . .	..	..	..	15
Other charges	6	3	18	3
TOTAL	<u>9,28</u>	<u>10,86</u>	<u>12,05</u>	<u>10,98</u>
<i>Receipts—</i>				
Stationery	26	25	53	25
Gazettes and Publications	45	46	57	46
Law Reports . . . . .	..	..	..	12
Other receipts	50	38	83	40
TOTAL	<u>1,21</u>	<u>1,09</u>	<u>1,93</u>	<u>1,23</u>

The Future Provincial Contract with Bengal.

Stationery and Printing.

303. The Stationery Office has been dealt with under "Stamps." The charges here shown are only the establishment and the contingent charges immediately connected with Stationery. The Budget for 1886-87 provides for some extra and exceptional charges, which may not be really incurred, and it is accepted only pending the Revised Estimate. The same may be said of the next head, "Purchases of country stationery." The excess provision is mainly for Civil and Sessions Courts.

304. For supplies from the Central Stores the Budget figure seems a fair estimate of probable cost. The low figure of 1883-84 was entirely exceptional, as the charge in the year before that mounted to 5,97. The indents for stationery are checked to a certain extent by the Superintendent, and, in an annual report issued by the Board of Revenue, the consumption per man in each office is stated in comparative tables; it does not, however, appear that attention is called to cases of apparent excess. The subject is not referred to in the body of the report; and, as only sixty copies of the report were printed, not more than one office in each district can possibly have had the tabular statements communicated to it.

305. Nor do the Budget Estimates, either of purchase for the Central Stores, or of issues from them, appear to undergo any examination and revision by the Board of Revenue. The Budget allotment for the purchase of stationery in India, which was Rs 6,00,000 in 1885-86, was enhanced to Rs 7,00,000 in 1886-87. We have enquired into the history of this increase, and find that the facts stand thus:— On August 20th, 1885, the Officiating Superintendent of Stationery submitted to the Board of Revenue a document containing the following information and absolutely nothing more:—

Budget Estimates.—Disbursements for the year ending 31st March 1887.

	Sanctioned Estimate, 1885-86. Rs	Estimate, 1886-87. Rs	REMARKS.
Purchase of stationery in India	6,00,000	7,00,000	This amount will, it is expected, be required to meet the increased expenditure on this head.

The Board of Revenue accepted the document as it stood, and sent it on, in original, on August 31st with the following endorsement:—

Passed and forwarded to the Accountant General of Bengal.—By order of the Board of Revenue, L. P.—J. KNOX ORD, *Superintendent*.

306. The charges for Presses were very high in 1885-86, mainly by reason of expenditure on printing receipt forms for use under the Bengal Tenancy Act. This caused a corresponding increase in the receipt side. Transactions fell in 1886-87 to their former scale.

307. The Presidency Jail is largely used for printing work and is treated as a branch of the Secretariat Press. The Inspector General of Jails claims for it that it turns out work of the value of nearly 1½ lakhs against a cash outlay of only half a lakh.

308. On the whole, though we think that more effective control should be productive of economy, there seems no reason for departing from the Estimates of the current year as the ordinary measure both of receipts and expenditure. The receipts are

The Future Provincial Contract with Bengal.

Miscellaneous.

likely to be much in excess of the estimates, by reason of an arrangement made last year by which Railways were to pay directly for the stationery they received. The receipts from the Railways, however, obviously came in re-imbursement of the charges for Stationery purchased for Central Stores, and as these charges are Imperial, they should also be so credited. The Provincial arrangement of 1882 did not specially provide for this class of receipt, as at that time all such matters were passed through the accounts by a special adjustment.

MISCELLANEOUS.

309. *Expenditure.*—The Provincial Expenditure has been :—

	1883-84.	1884-85.	1885-86.	1886-87, Budget.
	R	R	R	R
Books	4	5	5	5
Charitable donations	58	69	1,10	85
Petty establishments	17	19	21	18
Special Commissions	42	48	86	34
Destruction of wild animals	27	40	19	1,90
Rents and rates	1,75	1,71	1,50	
Other charges	29	36	54	
Refunds	19	9	11	8
TOTAL	3,71	3,97	4,56	3,40

310. Of the amount of Charitable Donations the two largest items, 17½ and 37½, are on account of the District Charitable Society and the Calcutta Nurses' Institution, the latter being a maximum amount, which may not be worked up to. Both of these are, for the present, practically obligations of Government. Of the rest, 10 is more in the nature of a rent charge, 4 is the present cost of famine orphans, and the rest consists mostly of grants to Societies connected with Calcutta and the Calcutta Port.

Petty establishments.

311. The Petty Establishments are for the most part those of Circuit Houses and of Staging Bungalows.

312. The charges for Special Commissions have for some time past been over R40,000; those of 1885-86 and 1886-87 are mostly those connected with the enquiry relating

to ministerial establishments. The heavy charge under this head, and two exceptional charges of 24, which are properly "Famine Relief," and of 8, connected with the winding-up of the Port Canning Estate and reckoned under "Other charges," account for the high figure of 1885-86.

Budget figures repeated.

313. The Budget Estimate seems on the whole a moderate standard of the expenditure.

314. *Receipts.*—These have been :—

	1883-84.	1884-85.	1885-86.	1886-87, Budget.
	R	R	R	R
Unclaimed deposits	3,75	4,41	2,65	4,40
Sales of old stores, lands, and houses	28	42	35	38
Rents	18	23	21	23
Fees for audit and account	1,01	1,09	1,09	1,14
Partition fees	1,12	1,03	1,16	1,08
Other receipts	81	1,20	54	95
TOTAL	7,15	8,38	6,00	8,18

The Future Provincial Contract with Bengal.

Public Works.—Railways.

315. The Budget Estimate may be taken as a fair standard except in the case of the lapse of unclaimed deposits. This head is necessarily subject to very considerable variations, and though the figure is large, it must be remembered that the extent of deposit transactions in Bengal is enormous. The probable amount of lapses should be ascertained more accurately at the time of the Revised Estimate, and the best course would probably be to take the average of the four last years. Meantime we take the average of the first three of them, or 3,60, which will give for the whole head an estimate of 7,38.

Future Estimate.

316. The fourth head in the above list contains the receipts from Municipal Funds on account of the audit applied to their accounts by the Accountant General, and the contributions levied from Local Funds towards the cost of the Account Establishments.

Contributions from Municipal and Local.

317. The fifth head, Partition fees, comprises receipts against which partition establishments, charged under Land Revenue, are entertained.

Partition fees.

PUBLIC WORKS.

RAILWAYS—REVENUE ACCOUNT.

318. *Northern Bengal Railway.*—The past transactions of this Railway are as under:—

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.
	R	R	R	R	R	R
Revenue	19,27	22,80	21,33	21,66	23,39	23,00
Expenditure	9,60	10,72	12,35	15,20	14,70	13,65
Net Revenue	9,67	12,08	8,98	6,46	8,69	9,35

319. The traffic earnings this year have been exceptionally good, and it seems probable that the revenue of the year will amount to 26,50. The increase is doubtless partly due to an abnormal traffic, but must be attributed in a measure to the opening of the Dinajpur extension and to general progress. The local authorities consider that a fair increase in revenue, as compared with past results, may be expected.

Traffic increased.

320. The expenditure in the last three years has been abnormally high owing to heavy renewals of sleepers. The outlay on the renewal of sleepers may now be expected to decrease, but a considerable outlay on the substitution of 50lb steel rails for the 40lb iron rails now on the line is expected during the next five years. The local authorities consider that these renewals and the working of the additional traffic will tend to keep the expenditure on Revenue Account at a high figure.

Renewals of sleepers and rails.

It is possible that the future expenditure is over-estimated, but as it is desirable to allow the Local Government reasonable grounds for anticipating an increase of Revenue from working the line, we have come to the conclusion that the following figures may

Net Revenue.

The Future Provincial Contract with Bengal.

Public Works.—Railways.

be accepted as the existing standard of the working of the railway and as the basis of the new Contract :—

Revenue	25,00
Expenditure	15,50
NET REVENUE	9,50

321. *Tirhoot Railway.*—The actual transactions of this Railway during past years are as under :—

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.
Revenue	5,79	7,10	9,82	12,50	12,80	13,75
Expenditure	3,49	4,41	6,79	9,68	9,12	9,00
Net Revenue	2,30	2,69	3,03	2,82	3,68	4,75

322. The increase in the earnings of this line may be attributed to the increased mileage opened to traffic. At the beginning of 1886-87, 227 miles were open to traffic compared with 85 miles at the end of 1881-82. The Budget Estimate of 13,75 is believed to be too low and the current year is likely to produce 14,70 according to existing estimates.

323. The opening of the Gandak Bridge and a further extension about the close of this year towards the Kosi should add to the present revenue.

324. Heavy renewals of sleepers have added considerably to the normal expenditure during the last three years; and of the expenditure of the present year, now estimated at 9,80, about 60 may be reckoned as abnormal.

325. We consider that in preparing the new Contract, the transactions of this Railway may be placed at the figures thus explained to be the normal ones of the current year; namely,—

Revenue	14,70
Expenditure	9,20
NET REVENUE	5,50

326. *Patna-Gya Railway.*—This line is to be transferred to Imperial hands after the close of this year, as its working is in the hands of the East Indian Railway Company. Consequently no estimate of its transactions will find a place in the new Contract. The estimated transactions of this year are as follow, and are entered *pro formâ* in our statements :—

Revenue	5,17
Expenditure	2,85
NET REVENUE	2,32

The Future Provincial Contract with Bengal.

Public Works.—Railways.

327. *Nalhati Railway*.—The transactions of this Railway are as under :—

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.
Revenue	68	74	81	76	79	77
Expenditure	55	51	56	72	66	65
NET REVENUE	13	23	25	4	13	12

328. The Revenue is fairly regular. The expenditure varies with the outlay on renewals. We consider that in preparing the new Contract the transactions may be placed as under, so as to cover the interest charge of 14 :—

Revenue	79
Expenditure	65
NET REVENUE	14

329. *Dacca-Mymensingh Railway*.—This line has only been recently opened throughout. The past transactions are as under :—

	1884-85.	1885-86.	1886-87, Budget.
Revenue	26	1,27	3,50
Expenditure	7	1,84	3,25
NET REVENUE	19	—57	25

330. It is difficult to make an estimate of the transactions of this Railway, but the traffic is obviously not yet developed and may be expected immediately to make a much better return than Rs. 50,000 of earnings for Rs. 25,000 of expenditure. We consider that in preparing the new Contract the following figures may be taken :—

Revenue	3,75
Expenditure	3,25
NET REVENUE	50

331. *Kaunia-Dharla Railway*.—The past transactions are as follows :—

	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.
Revenue	1,06	1,41	1,57	1,30	1,45
Expenditure	50	1,01	1,20	1,13	1,20
NET REVENUE	16	40	37	17	25

332. We consider that the new Contract may be based on the figures of the current year's Budget, viz. :—

Revenue	1,45
Expenditure	1,20
NET REVENUE	25

Budget figures accepted.

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Public Works.—Railways.

333. *General results.*—Omitting, for the present, the transactions of the Eastern Bengal Railway, which will be taken up separately, the accounts of the other Railways, which will be treated as Provincial in preparing the new Contract, may be stated as follows :—

	Gross earnings.	Working expenses.	Net earnings.	Interest.	
				Provincial.	Imperial.
Northern Bengal Railway	25,00	15,50	9,50	8,48	40
Tirhoot Railway	14,70	9,20	5,50	5,84	1
Nalhati Railway	79	65	14	14	...
Dacca-Mymensingh Railway	3,75	3,25	50	2,45	3
Kaunia-Dhara Railway	1,45	1,20	25	...	38
	45,69	29,80	15,89	16,91	82
Patna-Gya Railway	5,17	2,85	2,32	1,51	18
TOTAL	50,86	32,65	18,21	18,42	95

334. The figures above stated for each of the railways being an estimate of the existing normal scale of revenue and expenditure, we have to place against them the charge for interest. This will ultimately be determined in the Revised Estimate by the usual calculation upon the capital expenditure; meantime it is sufficient to take it as it stands in the Budget Estimate. At present there are some parts of this Interest charge which are not taken in the Provincial accounts, but we propose in the future Contract to transfer these to Provincial (reckoning them in the assignment), so that the whole of the Interest charges may appear in the accounts without division.

335. There is also an Interest charge of 3,29 Provincial, and 3 Imperial in respect of the Assam-Bihar line of which there is as yet no revenue account.

Assam-Bihar Railway.

EASTERN BENGAL RAILWAY.

336. *Earnings.*—The gross earnings of this Railway since the year 1880-81 have been as follows :—

	R	
1881-82	59,95,000	Average R56,20,000.
1882-83	67,16,000	
1883-84	53,43,800	
1884-85	(a) 55,09,000	
1885-86	46,61,000	
1886-87 Estimate	55,00,000	

(a) Excluding about R3,00,000 of assets from special Funds.

337. The earnings of 1885-86 were abnormally low, owing to the reduced rates charged for the carriage of goods on account of the competition of two rival Steamer Companies, and to the line having been closed to through traffic for a considerable time owing to the damage done by floods.

338. In the six months' estimate recently prepared, the earnings of the line for the year 1886-87 have been placed at 52 lakhs as compared with the Budget Estimate of 55 lakhs. Up to the 23rd October the earnings of the year 1886-87 have amounted to R28,13,075 as compared with R22,36,113 up to the 24th October 1885

Comparison between the current and past year's Traffic.

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in the previous official year. This shows an improvement up to date of R5,76,962. Supposing that the Traffic earnings during the remainder of this official year are the same as they were last year, the total gross earnings of the year will amount to R52,38,012. It is well known, however, that the Traffic during the latter months of the last official year was by no means good, and a fair increase this year may reasonably be expected. Moreover, the increased rates now in force for jute did not come into operation until August. The last weeks, for which returns are available, are—

	R
Week ending 23rd October 1886	1,33,000
„ „ 24th October 1885	99,000
INCREASE	34,000

339. The average earnings during the last 23 weeks of last official year amounted to R1,05,000 a week. With the increased rates for jute now in force and a steady improvement in passenger traffic, we do not see why the line should fall far short of the original estimate of 55,00. To arrive at this figure, average weekly earnings of 1,17 for the remainder of the year are necessary.

340. In a Note recently prepared by Major Boughey, the Manager of the line, after assuming that this year's earnings will only amount to 52 lakhs, he estimated the earnings of future years as follows:—

	R
1887-88	52,00,000
1888-89	53,00,000
1889-90	54,00,000
1890-91	55,00,000

But on our pointing out to that officer certain discrepancies in his estimates, he revised his estimates of gross earnings and placed them at the following figures:—

	R
1886-87	53,00,000
1887-88	54,00,000
1888-89	55,00,000
1889-90	55,00,000
1890-91	56,00,000

341. In estimating the returns of this Railway it must not be overlooked that the traffic of the line will be enhanced by the opening of the extension of the Assam-Bihar Railway beyond Dinajpur, and by the development of the Dacca-Mymensingh Railway. Leaving out of account the exceptional year of 1885-86, when everything went wrong, and also the bumper year 1882-83, and allowing for the reduced rates now in force, compared with those charged by the Company before the Railway was taken over by the State, we consider that the earnings of the Railway may be considered to have attained an average standard of nearly 55 lakhs in ordinary years, and in years of a large jute crop may reach to from 60 to 65 lakhs.

342. In this estimate no account is taken of the additional revenue that must accrue to the line from the opening of the Hooghly Bridge and the bringing of a certain portion of the East Indian Railway traffic into Chitpore and Sealdah. The Hooghly Bridge line will be completed early in 1887. As no arrangements

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have at present been concluded between the East Indian and Eastern Bengal Railway Companies, our proposal is to leave out of account, for the purposes of the present Contract, the extra earnings of the latter by the running on their lines of the East Indian trains; the matter may be settled independently, so far as regards the Provincial Contract, when a definite arrangement is come to. It is worthy of note, however, that the Eastern Bengal Railway will probably get another collateral advantage from the opening of the Bridge, in an economy of at least half-a-lakh of rupees annually in its expenditure on coal.

343. *Expenditure.*—The gross expenditure on the maintenance and working of the Railway since 1880-81 has been as follows:—

	R	
1881-82	25,60,000	} Average R28,31,000
1882-83	27,87,000	
1883-84	28,21,000	
1884-85	30,05,000	
1885-86	29,78,000 (a)	
1886-87, Estimate	28,35,000	

(a) Excluding a special charge of R 5,05,000 for arrears of Loss by Exchange.

344. The expenditure during 1882-83 and 1883-84 was increased by certain sums, which the Company then owning the line ought to have laid out on maintenance, but which, as the amount was not expended, they were forced to charge off and place in reserve with a view of placing the line in fair order when the contract terminated. After the Railway was purchased by the State, still heavier outlay was necessary in order to bring the line up to a proper standard, and the damage caused by floods and the erosion of the Ganges at Goalundo increased the Revenue expenditure. A part of the increased expenditure was, however, met from the Reserves made in previous years, which remained unexpended when the Railway was purchased.

345. The abnormal expenditure entered in the accounts of the last three years is estimated by Major Boughiey as follows:—

	R
1884-85	87,000
1885-86	3,23,000
1886-87	3,76,000

346. Owing to the increased outlay this year the Manager, in preparing the six-months' estimate, increased the estimated Revenue expenditure of this year to 33,00. It now appears that this was an over-estimate, and, moreover, this estimate contained provision for a contribution of about one lakh of rupees to the special Reserve Fund, which it is necessary to keep up to provide for the deterioration of the Bengal Central Railway rolling stock. The provision of this charge in the Estimates is not necessary, as the amount held in reserve remains at the credit of the Suspense account, under Revenue, and not outside it. The expenditure this year is now estimated at 31 lakhs.

Expenditure of recent years classified as normal and abnormal.

347. The figures of recent years according to these calculations would be—

	Normal.	Abnormal.	Total.
1884-85	29,18	87	30,05
1885-86	26,55	3,23	29,78
1886-87	27,24	3,76	31,00

The abnormal expenditure will certainly continue for some time longer,

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though to what extent it is difficult to say. It includes the cost of the contest with the Ganges at Goalundo, and of repairs to breaches in severe inundations.

348. The outlay for future years is now placed by the Manager as follows:—

Estimate for the future,	R
1887-88	30,00,000
1888-89	30,00,000
1889-90	29,00,000
1890-91	28,00,000

These estimates also provide for a considerable amount of abnormal outlay still considered necessary.

349. We recommend 54,50 — 29,50, or 25 lakhs, as a fair basis for a contract estimate of the net earnings.

350. According to Major Boughey's last estimates the transactions of the line may be estimated as under:—

	Revenue. R	Expenditure. R	Net Revenue. R
1887-88	54,00,000	30,00,000	24,00,000
1888-89	55,00,000	30,00,000	25,00,000
1889-90	55,00,000	29,00,000	26,00,000
1890-91	56,00,000	28,00,000	28,00,000

351. As the figures are subject to such considerable irregularities, both in revenue and in expenditure, that a bad year might plunge the province in great difficulties while a good one might produce a surplus which it would be hardly fair to Imperial interests entirely to forego, we were inclined to recommend, that it would be better that the net earnings should be divided equally between Imperial and Provincial, rather than that they should be entirely Provincial. But it has been strongly urged by the Government of Bengal that they should be left in independent control of the Railway, and they have suggested an alternative which we recommend the Government of India to accept, viz., that a margin of 5 lakhs above and below the proposed figure of 25 lakhs net earnings should be taken as the limit to which the interest and responsibility of the Local Government should extend. Thus, if the net revenue in any year exceeds 30 lakhs, the excess should be credited to Imperial, and if it falls below 20 lakhs the deficiency should be made good by the Imperial Government; but between these limits the net earnings should be entirely Provincial.

352. *Interest on Capital*.—The charges on account of Interest and Annuity payable this year in connection with the Railway are as follows:—

	India. R	England. R	Exchange. R	TOTAL. R
Interest on Debentures and Debenture Stock . . . . .	...	(a) 4,20,000	1,40,000	5,60,000
Interest on Overdrawn Capital	16,979	...	...	16,979
Interest on Capital Outlay since Purchase	(b) 6,69,500	...	...	(b) 6,69,500
Annuity . . . . .	...	(a) 12,05,000	4,01,666	16,06,666
TOTAL	6,86,479	16,25,000	5,41,666	28,53,145

(a) These payments are made in England.

(b) Excludes Interest on Exchange (English Stores) amounting to about R11,000. The transactions of the Calcutta and South-Eastern Railway and Poradah Section, Northern Bengal State Railway, are taken to account in the calculations, as they cannot be excluded, owing to the complete amalgamation of the accounts.

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353. We do not consider it desirable to deal with payments on account of in-

Interest and annuity charges payable in England excluded, remaining Interest charges to be Provincial.

terest and annuity payable in England, involving, as they do, a fluctuating charge for exchange, in framing the new Contract. We propose to make the

Provincial Government liable for the interest charges which arise in India, including the interest on exchange, which has arisen on the outlay incurred in the purchase of English Stores, other than purchases which appeared in the late Company's accounts. This is necessary, as the outlay in question on English Stores will now be brought into the Capital Account of the Railway. Subject to adjustment hereafter the amounts to be provided in the new Contract for interest will be as follows :—

	R
Interest on overdrawn Capital	16,979
Interest on Capital outlay	6,69,500
Interest on the amount now to be debited to Capital on account of exchange on cost of English Stores	11,000
TOTAL	<u>6,97,479</u>

354. As we necessarily give the Provincial Government an assignment equal to the amount of charge in 1886-87, this procedure will have the effect of making it meet out of the increasing net earnings of the line any additions to the interest charge caused by its future capital outlay on it.

GENERAL RESULTS OF ALL RAILWAYS.

355. The figures relating to Railways, which we propose to take to account in framing the new Contract, will stand as under, subject to future adjustment :—

	Gross earnings. R	Working Expenses. R	Net earnings. R	Interest. R
Open Railways already Provincial (para. 333)	45,69	29,80	15,89	17,73
Assam-Bihar Railway (para. 335) . . . . .	...	...	...	3,32
Eastern Bengal Railway	54,50	29,50	25,00	6,97
TOTAL	<u>1,00,19</u>	<u>59,30</u>	<u>40,89</u>	<u>28,02</u>

IRRIGATION AND NAVIGATION.

Productive Public Works—Revenue Account.

356. The transactions of the Major Works for the six years ending 1886-87 are shown below :—

Revenue.

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.
	R	R	R	R	R	R
Orissa canals	2,23	3,20	2,38	1,44	2,07	2,00
Midnapore canal	2,50	2,68	2,65	2,58	2,63	2,45
Tidal canal	47	45	63	41	52	55
Soube canals	7,36	6,85	6,04	8,62	10,63	8,30
TOTAL	<u>12,56</u>	<u>13,18</u>	<u>11,70</u>	<u>13,08</u>	<u>15,85</u>	<u>13,30</u>

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Expenditure.

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.
	₹	₹	₹	₹	₹	₹
Orissa canals	3,28	3,42	2,98	3,16	3,43	3,15
Midnapore canal	2,28	2,38	2,16	2,23	2,10	2,05
Tidal canal	28	40	47	37	49	41
Sone canals	4,57	5,30	5,14	6,04	5,52	5,64
TOTAL	10,41	11,50	10,70	11,80	11,54	11,25

Net Revenue.

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.
	₹	₹	₹	₹	₹	₹
Orissa canals	— 1,05	— 22	— 55	— 1,72	— 1,36	— 1,15
Midnapore canal	22	30	49	35	53	40
Tidal canal	19	5	16	7	3	14
Sone canals	2,79	1,55	90	2,58	5,11	2,66
TOTAL	2,15	1,68	1,00	1,28	4,31	2,05

Interest.

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.
	₹	₹	₹	₹	₹	₹
	20,75	21,16	21,61	22,13	22,07	22,89

Net Charge, including Interest.

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.
	₹	₹	₹	₹	₹	₹
	18,60	19,48	20,61	20,85	18,36	20,84

357. The revenue realised from the Sone Canals in 1885-86 was exceptionally high and much in excess of the Revised Estimate for that year. This is attributed to the large collection of arrears of revenue, which was effected under special circumstances, so that the collections during that year cannot be taken as a basis for calculating future revenue. On the other hand, the outlay on the Orissa Canals during 1886-87 and 1887-88 must be exceptionally high, owing to the expenditure that has to be incurred in those years in restoring works recently damaged by floods. The Chief Engineer for Irrigation makes the following estimate of the working of the canals during the period of the ensuing Contract:—

	Gross Receipts.	Gross Expenditure.	Net Revenue.
	₹	₹	₹
1887-88	13,63	12,29	1,34
1888-89	14,18	11,65	2,53
1889-90	14,90	11,71	3,19
1890-91	15,67	11,87	3,80
1891-92	16,32	12,03	4,29

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Public Works.—Irrigation and Navigation.

358. We consider that the Budget Estimate of the current year may be taken as a fair standard of the existing revenue and expenditure, and may be adopted as the basis of the new Contract. This estimate should allow of the Local Government realising a fair increase of revenue during the next five years. The interest charge should of course be taken as near as possible to the actual figures of 1886-87, and will therefore be reckoned upon the Revised Estimate. For present purposes we take the Budget figure of 22,89.

Budget Estimate accepted.

MINOR IRRIGATION WORKS.

359. *Revenue*.—The revenue under this head has been as under :—

	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.
	₹	₹	₹	₹	₹
Sarun Project	18	23	9	41	25
Orissa Coast Canal . . . . .	...	...	...	14	15
Calcutta and Eastern Canals	5,64	5,64	5,70	4,79	5,70
Nuddea Rivers	1,83	2,03	1,95	1,85	2,00
Eden Canal . . . . .	...	...	1		1
Tidal Creeks . . . . .	...	...	...	3	3
Agricultural Works	3	2	3		3
Civil Officers . . . . .	...	...	...	3,10	60
TOTAL	7,68	7,92	7,78	10,32	8,74

360. The revenue of the Calcutta and Eastern Canals during 1885-86 has apparently fallen considerably below the estimate. This is due in some measure to a book adjustment of an amount belonging to a former year. The Orissa Coast Canal is not quite completed; a considerable increase in revenue from this project is expected. Excluding the revenue realised by Civil Officers (₹60,000) we consider that the revenue figures for the new Contract may be placed at ₹8,14,000, the amount expected to be realised this year.

361. The amount under "Civil Officers" refers to a special arrangement relating to embankments, which are shown in the Revenue collected by Civil Officers from "Agricultural Works." accounts as Agricultural Works. These so-called "Tuccavi works" in Bengal are of two classes. In some cases the cost of the works is directly assessed upon the lands affected, the outlay on the works is charged to Advances, and the recoveries are collected and credited to the same head; the works do not therefore anywhere appear in the accounts of expenditure. Other works—chiefly embankments in Midnapore and in Behar—are carried out, as the accounts describe it, "by contract"; that is, the expenditure is incurred by Government, and charged as Government expenditure in the first place, but recoveries on account of it are made from the landlords who benefit by it. The charge appears under Irrigation, Minor Works, Agricultural Works, but as the recoveries are made in the Civil Department, they are shown under "Civil Officers." These recoveries have been somewhat irregular in the past, and it is believed that till lately they were to a large extent taken as Land Revenue receipts; but it may be assumed that they will be dealt with more regularly in future, and that, taking year with year, they will equal the expenditure. This last we take at 1,30, which is the present estimate of the current year, and we therefore take 1,30 also as the corresponding receipt.

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362. The total estimate of receipts under this head is therefore 9,44.

363. *Expenditure*.—The expenditure under this head has been as follows :—

	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.
	R	R	R	R	R
CAPITAL ACCOUNT—					
Sarun Project	40	—4	2	4	...
Orissa Coast Canal	8,00	3,55	1,91	4,16	3,35
Calcutta and Eastern Canals . . . . .	...	1,52	9	—43	10
TOTAL CAPITAL ACCOUNT	8,40	5,03	2,02	3,77	3,45
Maintenance and repairs of the above	34	2,44	3,03	2,39	2,30
Irrigation and Navigation works for which neither Capital nor Revenue Accounts are kept	13,50	2,44	1,51	1,27	1,55
Agricultural Works	1,43	1,87	1,60	3,20	1,12
Unallotted grant . . . . .	...	...	...	...	85
TOTAL	23,67	11,78	8,16	10,63	9,27

364. All the new works already commenced are completed with the exception of the Orissa Coast Canal, for which a revised estimate amounting to R11,16,200 has been submitted to the Government of India for sanction, the original estimate of R34,45,742 having been exceeded. If the existing grant of R3,35,000 is expended on the canal this year, a sum of R3,44,251 will be needed to complete the project after this year up to the limit of the revised estimate. It is possible, however, that this amount will be reduced, as a sum of R85,000 is still unallotted for the current year, and may be utilised for expenditure under this head. The sum needed to complete the project as finally sanctioned can best be provided by assigning a special grant to Bengal in excess of the normal allotments to be granted in the new Contract; and, for the present, this amount may be assumed to be R3,40,000. We do not propose to make any further assignment for Capital expenditure on Irrigation; but the subject will be discussed below.

365. The details of the Revenue expenditure on the works for which capital accounts are kept are shown below :—

	1883-81.	1884-85.	1885-86.	1886-87.
	R	R	R	R
Sarun Project	23	25	23	27
Orissa Coast Canal . . . . .	...	...	30	16
Calcutta and Eastern Canals	2,21	2,78	1,86	1,87
TOTAL	2,44	3,03	2,39	2,30

366. The local authorities consider that the future annual outlay on the Sarun Canal may be placed at R20,000 and that on the Calcutta and Eastern Canals at R2,00,000. The outlay on maintaining the Orissa Canal will doubtless increase; but, following

Future estimate.

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the usual principle, we take as the basis of the assignment the standard of Revenue and Expenditure of the current year (that is, revenue 15 and expenditure 16) and leave the future increase on both sides to accrue to the Provincial account. The total outlay provided for in the Contract to meet the Revenue expenditure on these works will thus stand at ₹2,36,000.

367. The details of the expenditure on works for which neither Capital

Works for which neither Capital nor Revenue accounts are kept are as follows :—
nor Revenue Accounts are kept.

	1883-84.	1884-85.	1885-86.	1886-87.
	₹	₹	₹	₹
Nuddea Rivers	1,25	96	77	85
Eden Canal	1,07	44	47	50
Tidal Creeks in Orissa	12	11	1	10
Other Items . . . . .	...	...	2	10
TOTAL	2,44	1,51	1,27	1,55

368. The expenditure on the Nuddea Rivers fluctuates according to the condition of the streams each year. It is estimated that the annual charges may be placed on an average

The Nuddea Rivers.
at about ₹1,00,000.

369. The annual expenditure in future on the Eden Canal is estimated at ₹20,000 per annum. There are special reasons for a high allotment this year.

The Eden Canal.

370. The expenditure on the Tidal Creeks in Orissa is small. After discussing the matter with the Chief Engineer for Irrigation we have come to the conclusion that an annual

Tidal Creeks in Orissa.

allowance of ₹10,000 will suffice for the outlay on these creeks.

371. We further propose to assign a sum of ₹4,000 a year for outlay on other projects. The total grant under this head provided for in the new Contract will then stand

Other projects.

at ₹1,34,000.

372. The expenditure shown under the head Agricultural Works is that above (paragraph 361) explained to be incurred on tuteeavi embankments "under contract." The

Agricultural Works.

outlay may be placed in the new Contract at ₹1,30,000.

373. The amount we propose to allot to Minor Irrigation Works now chargeable to Provincial Revenues will then stand as under :—

Total proposed provision.

	₹
Irrigation and Navigation—Revenue Expenditure	2,36,000
Works for which neither Capital nor Revenue Accounts are kept	1,34,000
Agricultural Works	1,30,000
TOTAL	5,00,000

374. We have received from the Local Government the following statement of new works of this class, proposed by them and awaiting financial provision. We do

Proposed new works:

not consider that it is within our province to make any proposals regard-

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ing these works, as the question of undertaking the larger projects embodied in the list, and the manner in which the necessary funds should be provided, can best be settled with the Government of India, when the projects are sanctioned. The three smaller projects must apparently stand over until funds can be made available from Provincial resources, as none of them appear to be of a nature to call for special provision on their account being made in the new Contract. As regards the larger ones, it appears to us that the arrangement, so far as it affects the mutual relations of Imperial and Provincial, should be on the same basis as those which regulate Productive works;—that is, so far as the Provincial Government requires an assignment from Imperial Revenues to meet the proposed expenditure, it should undertake to pay interest at four per cent. in respect of it.

Statement of Proposed New Works classified under Irrigation and Navigation.

LOCALITY.	Works.	AMOUNT OF ESTIMATE.		REMARKS.
		Urgent Works.	Ordinary Works.	
Calcutta . . .	Canalisation of Tolly's nullah.	R 22 to 45 lakhs.	R ..	There are several projects for this work, but it has not yet been decided which is to be carried out. There is also some question concerning the cost of the land which is very valuable. Hence the different figures given. The work must be done in connection with the Kidderpore docks.
Eastern Canals . .	Canalisation of the Bhangore khal.	13½ to 20 lakhs.	...	There is more than one project, and it has not yet been decided which should be adopted.
Ditto . . .	Madaripore canal.	...	21 to 31 lakhs.	The project to be executed has not been finally determined. If locks are constructed at either end of the canal, the higher figures will be correct.
Eden Canal . . .	Widening Banka nullah	...	14,500	This is in connection with the Eden Canal.
Sarun . . .	New regulator on Sarun canals.	...	40,000	
Sone Canals . . .	Additions and improvements to Tawr canal.	...	35,500	
	TOTAL	35½ to 65 lakhs.	22 to 32 lakhs.	

375. We consider it necessary to call attention to the large establishments employed in the Irrigation Branch of the Public Works, department. It seems possible that the outlay now being incurred could be supervised with a smaller establishment than that now employed. With the reduced grant now available for outlay, economy in establishments is essential.

376. We also desire to call attention to the large outlay now incurred in collecting the revenue of the works classed as Productive. The total revenue of these works is estimated at only R13,30,000, while the establishment employed in its collection costs R2,52,000, or nearly 19 per cent. on the revenue. Again, the cost of collecting the revenue of the Calcutta and Eastern Canals, amounting to R5,70,000, is placed at R48,000, of which R10,000 is paid to the Toll-Collector. An officer on a lower salary could apparently be obtained for carrying out these duties. Further, the cost of collecting R2,00,000 on the Nuddea Rivers amounts to R22,450, or more than 11 per cent. of the revenue.

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Public Works—Provincialisation of Embankments.

PROVINCIALISATION OF EMBANKMENT CHARGES.

377. We have been desired to consider the basis on which the outlay on Agricultural works, now Imperial. Agricultural Works now charged to Imperial can be made Provincial.

378. The outlay incurred on this account during the last fifteen years is shown in the following statement:—

Statement showing the Total Expenditure on Imperial Agricultural Works in Bengal from 1872-73 to 1886-87, inclusive.

YEARS.	New Works.	Repairs.	Establishment.	Tools and plant.	Profit and loss.	Suspense.	TOTAL.
	R	R	R	R	R	R	R
1872-73	1,48,730	3,46,655	1,71,935	5,441	150	-2,041	6,70,870
1873-74	1,94,106	3,04,816	1,41,873	11,355	..	-4,238	6,47,912(a)
1874-75	3,06,222	2,32,297	2,63,854	14,769	..	21,189	8,38,831(b)
1875-76	60,215	2,57,446	1,91,771	10,033	380	8,338	5,28,843(c)
1876-77	16,311	2,29,806	1,67,100	4,862	248	2,763	4,21,090
TOTAL	7,25,581	13,71,020	9,36,533	47,120	778	26,011	31,07,046
1877-78	22,989	2,81,845	1,69,613	5,872	110	+1,419	4,81,848
1878-79	29,589	2,58,301	1,59,414	1,878	Ntl.	-10,225	4,38,957
1879-80	38,777	2,60,213	1,88,476	1,691	10,225	-5,593	4,63,789
1880-81	54,642	2,98,397	71,926	-2,558	Ntl.	-16,463	4,08,939
1881-82	2,57,399	3,54,427	1,25,915	37,123	Ntl.	+1,792	7,76,566
TOTAL	4,03,306	14,53,183	6,88,344	44,006	10,335	-29,165	25,70,099
1882-83	2,43,613	3,52,262	1,30,039	6,097	Ntl.	+34,127	7,66,138
1883-84	2,70,116	3,44,140	1,34,156	7,847	Ntl.	-8,014	7,47,845
1884-85	2,09,718	3,42,027	1,18,668	11,396	Ntl.	+7,692	6,90,401
1885-86	1,34,244	3,27,601	83,230	5,507	Ntl.	-12,893	5,42,744
1886-87 (d)	1,75,000	3,55,000	1,12,700	13,300	...	...	6,56,000
TOTAL	10,32,601	17,21,930	5,83,793	44,147	Ntl.	20,067	34,02,628

(a) Includes R1, expenditure in England.

(b) " 371, " "

(c) " 122, " "

(d) The figures given in this year are obtained by adding 1,25,000 lately given by the Government of India to the 5,31,000 shown in the Budget. The division between New Works, Repairs, &c., is an estimate only.

Outlay fluctuating.

379. It will be observed that the outlay under this head has fluctuated considerably, thus—

Period.	Total outlay.
	R
From 1872-73 to 1876-77	31,07,046
" 1877-78 " 1881-82	25,70,099
" 1882-83 " 1886-87 (Estimate)	34,02,628 including the recent grant of R1,25,000.

380. The bulk of the expenditure incurred on Agricultural Works and charged against Imperial Revenues consists of outlay mainly on protective embankments. Outlay on embankments which the State is bound to maintain. A portion of these embankments must apparently be maintained by the State in perpetuity; but the cost of maintaining the embankments situated in Orissa can be thrown in some form on the people who benefit by them, if arrangements to that effect can be made in the new settlement of land revenue,

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Public Works—Provincialisation of Embankments.

due to be made in that Province some ten years hence. It appears clear, however, that the burden of maintaining these embankment works must devolve on the State during the period of the new Contract.

381. In addition to outlay on embankments, sundry items of a miscellaneous nature are charged to the head now under consideration. Under the heading Original Works the following miscellaneous outlay was incurred in the five years ended 1885-86:—

	₹
Surpai Drainage Projects	2,64,413
Satpookur Sluice	50,180
Ballee Bheel Drainage Project	1,02,658

382. In a Note we have received from the Government of Bengal it was suggested that the annual grant assigned under this head should not be less than 7 lakhs or a little more than the average outlay in the last five years of the existing Contract. Indeed, if the full demand for the current year had been met by the Government of India, the outlay in the five years would have amounted to 35 lakhs or an average of 7 lakhs per annum.

383. The embankments dealt with being necessary for the protection of a large area of country, and the land revenue involved being very large, it is essential that they should be kept in a good state of repair; and the outlay on repairs must consequently be classed as obligatory. The outlay on original works appears to consist for the most part of expenditure on new lines of embankment, which become necessary as the original alignment is encroached on by erosion; and is consequently also obligatory. The distinction between Original Works and Repairs is necessarily more or less arbitrary, and must in many instances depend on the views of the officers employed in connection with the embankments; and we do not see our way to allot any special assignments to each of these heads in making proposals for provincialising the expenditure.

384. The outlay on drainage schemes in connection with Government estates is not obligatory and is for the most part undertaken with the view of increasing the Land Revenue. In a second Note received from the Irrigation Branch of the Public Works Department a suggestion is put forward that the outlay on embankments might alone be Provincialised, and that on other works might be dealt with specially as demands may arise. If this course is followed, it is stated that the allotment for embankments, based on the outlay of the five years of the present Contract, might be placed at 6½ lakhs. There is no doubt that the outlay on miscellaneous objects might be dealt with separately from that on embankments, but it is inconvenient to retain a small portion of the expenditure as Imperial, while Provincialising the bulk of it, and on the whole we are of opinion that it will be more satisfactory to make a grant covering the whole head.

385. The outlay on embankments must vary from year to year in accordance with the nature of the seasons and the extent of the damage done by floods; and from the figures set forth above it appears that the total expenditure under Imperial

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Public Works—Civil Works.

Agricultural Works during the five years of the present Contract has been exceptionally heavy and that a smaller sum may be reasonably expected to meet the obligatory expenditure during the ensuing Contract. The total outlay in the fifteen years ending with 1886-87 amounts to R90,79,773 or about R6,05,000 a year. Of the outlay incurred in the years 1873-74 and 1874-75 about four lakhs were expended originally as Famine outlay and were subsequently charged to this head. Allowing for the probability that the difficulty of retaining these

deltaic rivers within their embankments is gradually increasing through the silting up of their beds, we consider that the whole of the Imperial Agricultural outlay may well be Provincialised for the next five years for the round sum of R6,50,000 per annum.

CIVIL WORKS.

386. *Revenue.*—The Civil Works Revenue in past years has been as follows:—

	1891-92	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.
Public Works Department. . . .	2,40	2,13	2,02	6,39	2,28	2,40
Civil Department	5,36	5,22	5,88	6,21	5,18	5,04
TOTAL	7,76	7,35	7,90	12,60	7,46	7,44

387. The Revenue in 1884-85 was exceptionally high owing to a special receipt of about R4,50,000 on account of the outlay incurred in building the East Indian Railway Office and the rent for the same building. The normal amount may be taken at 7,50.

388. *Expenditure.*—The Provincial expenditure incurred on Civil Works since the year 1880-81 is distributed as under (the expenditure from Local Funds is added in the bottom line):—

Statement of Expenditure on Civil Works.

	1891-92.	1892-93.	1893-94.	1894-95.	1895-96.	1896-97. Budget.
ORIGINAL WORKS—						
Civil Buildings	29,29	31,56	14,69	6,21	3,25	3,07
Communications	11,48	5,55	3,29	1,40	—2	98
Miscellaneous	1,53	92	1,81	77	27	95
TOTAL ORIGINAL WORKS	42,30	38,03	19,79	8,38	3,50	5,00
REPAIRS—						
Civil Buildings	4,73	4,36	3,82	1,74	3,32	4,00
Communications	9,68	10,05	8,93	5,88	7,05	9,00
Miscellaneous	50	61	63	47	47	50
TOTAL REPAIRS	14,91	15,02	13,38	8,09	10,84	13,50
Establishment	8,84	9,74	10,00	9,78	12,80	13,14
Tools and Plant	98	1,56	40	13	30	36
Suspense, &c.	—15	2,47	2,17	77	—18	...
Civil Officers	70	47	1,44	2,99	38	1,06
TOTAL PROVINCIAL	67,58	67,29	47,18	30,14	27,64	33,06
Local Funds	38,99	36,80	36,66	36,77	33,63	42,19

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Public Works—Civil Works.

389. We proceed as usual first to calculate what the obligatory expenditure on Public Works is; then to consider what surplus remains for the construction of Original Works.

Obligatory expenditure.

390. The average expenditure on repairs during the currency of the present Contract has amounted to Rs12,22,000. The Provincial Government, in a Note prepared by the Chief Engineer, contends that this is too low a figure to assume for the new Contract, as the expenditure in 1884-85 and 1885-86 was reduced below actual necessities in consequence of the appeal made by the Government of India to keep down expenditure on account of the critical state of affairs on the North-West frontier. This is doubtless correct, so far as the transactions of 1885-86 are concerned; but no such appeal was made in 1884-85, when, in consequence of low Provincial balances, the Local Government could afford only a small amount for Public Works outlay, and the expenditure on repairs only reached Rs8,09,000. It is further urged that the expenditure on repairs must progress with the increase in the block and stock of buildings and roads. This latter argument does not appear to be altogether correct in the matter of Civil Buildings, or of Bridges, for the substitution of permanent for temporary buildings or bridges should reduce rather than increase the outlay on repairs. Further, it is understood that several roads recently constructed have been made over to the Local Boards for maintenance; and if this course is followed to the extent that appears desirable, but small increase in the demands against Provincial Revenues for the maintenance of new roads need be anticipated.

391. The Local Members of the Committee consider that the amount allotted for repairs to Civil Works should not be placed at a lower figure than fifteen lakhs. The figures of the past do not, however, bear out this contention. The expenditure on repairs averaged Rs10,46,000 in the years 1871-72 to 1876-77; Rs11,84,000 in the years 1877-78 to 1881-82; and, as already stated, Rs12,22,000 during the current Contract. The permanent Members of the Committee cannot therefore admit that in preparing the new Contract a larger provision need be made under this head than the amount expended during the expiring Contract, or Rs12,22,000.

392. There is considerable difficulty in estimating the amount that should be provided in the new Contract for meeting the outlay on Establishment, chargeable to Civil Works, Provincial. The whole of the Establishment is dealt with as one item, and Imperial is debited with 23 per cent. on all outlay on Works and Repairs chargeable to Imperial. There are a few exceptions to this procedure, but the amounts involved in the exceptions are not large. A similar procedure has been introduced by the Local Government in dealing with outlay on Irrigation and Navigation Works; and a percentage on the outlay incurred by Public Works Officers for Local Funds expenditure, Tuccavi advances, &c., is charged to those heads and credited to the General Establishment. Further, a lump sum has hitherto been charged to the head Railways, for administration charges incurred in the Public Works Department Secretariat; the Local Government now propose to discontinue this adjustment. The estimated cost of the General Establishment as provided for in this year's Budget Estimate amounts to Rs23,32,000. Since this estimate was prepared, the establishment of superior officers has been reduced by twenty in number, and the services of all tem-

Recent reductions.

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Public Works—Civil Works.

porary establishments have been dispensed with. It is estimated that these reductions will bring down the establishment charges by two lakhs, or to R21,32,000 for the whole Province.

Distribution of establishment charges. 393. The distribution of the outlay on establishments since 1880-81 is shown below :—

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.
IMPERIAL—						
Irrigation, Ordinary	1,26	1,30	1,34	1,20	88	90
" Protective . . . . .	...	...	56	74	15	...
Military Works	28	59	81	28	4	11
Civil Works	2,25	2,16	2,71	2,13	80	83
TOTAL IMPERIAL	3,79	4,05	5,42	4,35	1,87	1,84
LOCAL—						
Civil Works . . . . .	...	3	4	4	5	...
PROVINCIAL—						
Irrigation, Ordinary	3,94	4,65	2,62	2,03	2,13	2,26
" Productive (Revenue Account)	3,51	3,77	3,57	3,95	3,97	4,06
" " (Capital Account)	2,77	1,40	1,92	1,84	94	1,42
Civil Works	8,84	9,74	10,00	9,78	12,80	12,95(a)
Contributions, &c. . . . .	...	...	...	...	38	19
Railways . . . . .	...	54	58	54	60	60
TOTAL PROVINCIAL	19,06	20,10	18,69	18,14	20,82	21,48
GRAND TOTAL	22,85	24,18	24,15	22,53	22,74	23,32

(a) The total amount entered in the Provincial Estimate for 1886-87 as the amount debitable to Civil Works, Provincial, is R13,14,000; but as the debits to Provincial Irrigation in the detailed Irrigation Estimate are R19,000 in excess of the amounts entered on this account in the Provincial Civil Works Estimate, the amount debitable to Civil Works has been reduced to R12,95,000 to arrive at the total cost of establishment provided, viz., R23,32,000.

394. It is possible that a further reduction of establishment may be effect-

Difficulty on the part of the Local Government in effecting reductions. ed, especially in the Irrigation Branch; but no estimate of such reduction can now be made.

Moreover, the Local Government, in fixing the number of officers to be employed in the Province, is affected by other considerations than its own interests, and is occasionally obliged to take on its list such officers as the Government of India may appoint to the Province. We may mention, in illustration of this, that, while we were in communication with the Bengal Government, two officers from Cooper's Hill were appointed to the Province, whose services are not needed; and that we are informed that another officer from the Seebpore College must be taken on at an early date. It is in any case clear that, with the reduced outlay on Public Works now contemplated, a considerable saving could be effected by employing in many places, where work is light, a cheaper agency for supervising works than the officers on the present pay of the Public Works Establishment. Without, however, reckoning any reduction that may hereafter be found feasible, it is roughly estimated

Allotment proposed by the Committee. that of the total cost of the existing establishment R10,78,000 will fall as a charge on Provincial Civil Works, and we propose to allot this amount under this head in preparing the new Contract.

395. We consider that R50,000 will be found sufficient to provide for the

Tools and Plant, &c. probable outlay on Tools and Plant chargeable to Provincial Revenues and for the fluctuations of

transactions in Suspense.

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Public Works—Civil Works.

396. The amounts entered under "Civil Officers" in the accounts of past years were chiefly required for the management of Ferries, but they also include considerable sums given as contributions to Municipalities. Excluding such special items, the amount actually expended last year, or Rs40,000, should be found sufficient to meet all obligatory expenditure under this head.

397. What may be termed the obligatory Civil Works expenditure of the Province will thus stand as under:—

	R
Repairs	12,22,000
Establishment	10,78,000
Tools and Plant 50,000, Civil Officers 40,000	90,000
TOTAL	23,90,000

398. We now turn to Original Works. The amounts needed for outlay on new Works, as entered in the statements laid before us, may be classified under two heads: Sums required to complete works in progress, and Requirements on account of new works sanctioned or proposed but not commenced.

399. The Balance needed to complete works in progress is—

	R
Civil Buildings	3,80,072
Communications	19,354
TOTAL	3,99,426

400. The amounts required for works sanctioned or proposed are divided into urgent and ordinary, and may be abstracted as follows:—

CIVIL BUILDINGS.		Urgent.	Ordinary.
		R	R
Collectors' and Magistrates' Court-houses, &c.		8,85,679	6,08,232
Judges' Court-houses		3,35,490	1,41,490
Munsiffs' Court-houses		2,67,619	2,42,478
Circuit Houses		30,469	...
Excise Buildings		20,000	37,377
Secretariat „		3,595	1,42,293
Customs „ . . . . .		...	25,000
Museum		2,00,000	1,14,000
High Court Buildings		2,918	84,000
Small Cause Court Buildings		20,278	2,979
Sub-divisional Buildings		1,46,292	4,88,336
Churches . . . . .		...	2,500
Burial grounds		8,112	...
Jails		2,97,983	6,10,682
Lock-ups		70,773	1,36,594
Registration Buildings . . . . .		...	47,870
Police Buildings . . . . .		...	1,68,906
Colleges and Schools		8,541	2,02,800
Hospitals and Dispensaries		64,407	3,44,801
Medical College and Schools . . . . .		...	88,674
Lunatic Asylums . . . . .		...	15,700
Miscellaneous Buildings		5,000	1,31,864
Public Works Buildings	1,97,737
TOTAL CIVIL BUILDINGS—Carried forward		23,67,186	38,34,313

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Public Works—Civil Works.

	Urgent. R	Ordinary. R
Brought forward	23,67,186	38,34,313

COMMUNICATIONS.

Metalled and Bridged roads—

Grand Trunk road	84,093	...
Caleutta roads	...	57,756
Himalayan roads	3,00,000	35,035
Roads in Local Board Districts where the Local Funds are insufficient to meet the outlay	2,05,996	...
TOTAL	5,90,089	92,791

Unmetalled roads—

Himalayan roads	1,41,200	...
Roads in Local Board Districts where the Local Funds are insufficient to meet the outlay	95,378	3,37,413

Railway Feeder Roads—

Northern Bengal State Railway	...	2,00,000
Tarkessar Railway	75,000	...
Bengal Central Railway	3,50,000	...
Behar-Assam State Railway	...	1,50,000
Eastern Bengal State Railway	...	1,00,000
TOTAL	6,61,578	7,87,413

Accommodation for Travellers	20,466	...
TOTAL COMMUNICATIONS	12,72,133	8,80,204

MISCELLANEOUS PUBLIC IMPROVEMENTS	16,878	...
TOTAL	36,56,197	47,14,517

GRAND TOTAL 83,70,714

401. Including the outlay on works in progress the amount stated to be needed to complete sanctioned works comes to the large sum of Rs7,70,140.

Total requirements for sanctioned works.

402. In the Note we have received, it is pointed out that the average annual expenditure on Original Works during the existing Contract, 1882-83 to 1886-87, has amounted to Rs14,94,000. The average outlay on the same account during the previous Contract, 1877-78 to 1881-82, was Rs20,62,000. The average during the previous six years commencing 1871-72 amounted to Rs12,56,000. Thus the average outlay on Original Works during the sixteen years ending 1886-87 will amount to Rs15,82,000. It is now urged that the allowance on this account in the new Contract should not be placed at less than fifteen lakhs.

403. It may be freely admitted that the lists contain many important works, which should be carried out as soon as circumstances permit, and that this is especially the case in the matter of Railway feeder roads, which will tend to develop the resources of the country and will add to the revenue by increasing the Railway earnings. On the other hand, the lists appear to contain many works which may well

Necessity of retrenchment.

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Contributions to Local Funds.

stand over until more favourable times. The outlay on Original Civil Works during the years, in which the Provincial balances were high, was very large. In 1881-82 and 1882-83 the outlay on Civil Works amounted to R42,30,000 and R38,03,000 respectively; in these two years R60,85,000 were expended on Civil Buildings and R17,03,000 on Communications. So much having been expended on Original Civil Works in the days of prosperity, it appears all the more possible to reduce the outlay under this head in times of financial pressure.

404. Considering the present necessity of curtailing all outlay as much as possible, the permanent Members of the Committee do not consider that the total grant for outlay on Civil Works in Bengal should, in preparing the new Contract, be placed at a higher figure than R31,00,000. Taking this sum as the total Provincial Public Works grant, its probable distribution may be placed as under:—

	R
Original Works	7,10,000
Repairs	12,22,000
Establishment	10,78,000
Civil Officers	40,000
Miscellaneous	50,000
TOTAL	<u>31,00,000</u>

Small as the amount here provided for Original Works may seem, it is more than has been allotted to this head in the last and the current years.

CONTRIBUTIONS TO LOCAL FUNDS.

405. The details of the expenditure classified under this head are as follow:—

	1883-84.	1884-85.	1885-86.	1886-87. Budget.
Payment to Road Cess Committees in respect of the collection of the Provincial Public Works Cess (see para. 58)	50	56	50	47
Payment to Road Cess Committees of 1½ per cent. of collections from Government Estates (see para. 13)	36	42	39	62
Contributions to District Road Account in Deficit Districts—				
Chittagong Hill Tracts	15	10	10	54
Sonthal Pergunnahs	72	34	35	
Singbhoom	10	10	10	
Grants to District Road Funds for special Public Works	1,37	1,02	56	37
TOTAL	<u>3,20</u>	<u>2,54</u>	<u>2,00</u>	<u>2,00</u>

406. The first three of the above payments have to be provided for as permanent obligations, but the amount of the second is $\frac{3}{4}$ of 3,87 (58) as shown in para. 14, and is not so much as 62.

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Adjustments. Conclusion.

407. The last item is practically an addition to the Public Works expenditure of the Province, and need not be considered separately from it.

Item included in Public Works expenditure.

408. The estimate is therefore to be taken at 47 + 58 + 54, or 1,59.

Total necessary provision.

ADJUSTMENTS.

409. We append to this Chapter three Statements, A, B, and C. The two former show the total and the Provincial share of all Provincial and divided heads according to the Budget of 1886-87; the total estimates of Revenue and Expenditure now adopted under the same heads; and the Provincial share of each, both according to the system now in force, and also under the system prescribed for the future Contract in the Government of India's letter No. 2187, dated July 26th, 1886, Department of Finance and Commerce. Statement C gives full details of the expected receipts and working charges of the several Railways which now are, or which it is proposed to make, Provincial; and also shows the interest charge due on account of each.

410. We have assumed that the new Contract will annul all adjustments Existing adjustments will be made since 1882 in the current Contract on account annulled. of modifications in the distribution of revenue and expenditure. They amount to — 2 net, and are shown in Statement A only to facilitate comparison between the existing and the proposed Contracts. The new Contract will of course annul all special assignments made by the Imperial to the Provincial Government.

411. The inter-provincial adjustments, amounting to +1,28, and also shown in Statement A, mostly drop out of account. Inter-provincial adjustments. They will usually come in in the accounts of each year, as compensations for differences from the estimates. For example, if Bengal pays the leave allowance of a Madras officer, it will recoup the amount by inter-provincial adjustment; but as we have not included any such payments in our estimates, we have not to show separately the corresponding compensating adjustments. The only exception is the Bengal share of the duty on Shahjahanpur rum, originally levied in the North-Western Provinces at Rs 4 per gallon, but transferred to the credit of the Provinces to which the rum is eventually transported for consumption. This may be taken at 84 (*vide* paragraph 75 of Chapter IV). Out of this sum a small portion properly appertains to Assam (*vide* paragraph 19 of Chapter IX) and must be transferred to that Province. The transfer will not, however, affect Imperial.

Shahjahanpur rum.

CONCLUSION.

412. Columns 3 of Statements A and B show that the estimated Provincial Revenue of 1886-87 was 4,28,67; the estimated Provincial Expenditure 4,29,32; that is to say, the Provincial Budget exhibited a deficit of 65.

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Conclusion.

413. Columns 4 and 5 of Statements A and B show our calculations of the probable future Revenue and Expenditure, as follows :—

	Total. R	Provincial share as at present. R
Revenue	8,96,66	4,30,90
Expenditure	4,77,82	4,10,38
	<hr/>	<hr/>
SURPLUS	4,18,84	11,52
	<hr/>	<hr/>

414. There is thus a Provincial surplus of 11,52, which may be resumed by the Imperial Government. The improvement in our estimate for the future over the current year's Budget is principally due to the following causes, *viz.*, increased receipts under Excise (1,00), Jails (1,26), and Railways (3,22); and decreased expenditure under Survey and Settlement (78), Government Estates (67), General Administration (31), Jails (1,13), Education (1,46), Police (30), Superannuations (50), and Public Works (4,02). On the other hand, we have found it necessary to allow for increased expenditure under the head of Law and Justice, Courts (50), and for a decrease in the standard of revenue under Land Revenue (2,18) and Miscellaneous (80).

415. If it is thought that the reductions of expenditure which we suggest are too severe, it should be borne in mind that the Bengal Government has a right to reconp itself by throwing larger charges for Education and Medical Services on the Municipalities, whom it relieved, as mentioned in paragraph 196, of an expenditure of three lakhs of rupees on Police, without imposing on them, at the same time, any corresponding outlay on other objects.

416. The last column of Statements A and B exhibit the Provincial Revenue and Expenditure calculated on the system which has been prescribed for the future Contract, as follows :—

	R
Revenue	4,72,70
Expenditure	4,59,56

417. The scale of the transactions is considerably increased, it will be noticed, on both sides of the account. This is due to the Provincialisation of the Eastern Bengal Railway and of the charges on account of embankments, to which the transfer of the Patna-Gya Railway to Imperial is a comparatively insignificant set-off.

418. The Provincial surplus of 13,14, which will thus exist, will have to be transferred to Imperial, by adjustment through the Land Revenue head, or in some other way. The gain to Imperial will, however, be confined to the annual sum of 11,52 (paragraph 414), for the transfers last noticed, of liabilities accompanied by the means of meeting them, will not affect the ultimate relations between Imperial and Provincial or the comparison between the old and new Contracts; and on whatever basis the Revenue and Expenditure are in future divided, the result will be the same as respects all those heads of the account, which have hitherto been either divided or wholly Provincial, namely, that, as

The Future Provincial Contract with Bengal.

Conclusion.

compared with the present Contract there will be a benefit to Imperial of the sum of 11,52, as above shown, if the finances of the Provincial Government are left in equilibrium, as it is intended they should be.

419. The Local Members, Colonel Salisbury Trevor and Mr. R. H. Wilson, Dissent by Local Members of the Committee. have, throughout our enquiries and throughout the preparation of this Note, been in close communication with us and have taken part in the discussions, which have led to the conclusions now adopted by us. We regret that on several points they dissent from recommendations made, and from conclusions arrived at, by the general Members. They have expressed their views in a dissent which we append in continuation of this Chapter.

CALCUTTA,

The 8th December 1886.

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A.—STATEMENT OF EXPENDITURE.

.....	BUDGET ESTIMATE OF 1886-87.		ESTIMATES NOW ADOPTED.		
	Total.	Provincial share.	Total.	Provincial share as at present.	Provincial share as proposed.
1	2	3	4	5	
Civil Heads.	R	R	R	R	R
Land Revenue (Divisible)	3,77,83	1,23,17	3,76,13	1,21,22	(a) 94,63
" (Provincial)	4,35	4,35	3,87	3,87	3,87
Salt (Rents and Miscellaneous)	1,20	1,20	1,20	1,20	1,20
Stamps	1,32,56	66,28	1,32,56	66,28	99,32
Excise	98,00	49,00	1,00,00	50,00	25,00
Provincial Rates (Provincial Cess and Wards Rate)	39,17	39,17	38,93	38,93	38,93
Customs (Rents and Miscellaneous)	57	57	57	57	57
Assessed Taxes	36,00	7,50	38,00	7,50	19,00
Forests	7,20	3,60	7,00	3,50	3,50
Registration	12,10	6,05	12,10	6,05	6,05
TOTAL REVENUE HEADS	7,08,98	3,00,89	7,10,36	2,99,12	2,91,57
Interest (Provincial)	68	68	68	68	68
Law and Justice,—Courts,	7,65	7,65	7,65	7,65	7,65
" Jails,	7,20	7,20	8,46	8,46	8,46
Police (excluding Railway Police)	7,06	7,06	7,06	7,06	7,06
Marine	8,48	8,48	8,48	8,48	8,48
Education	5,56	5,56	5,56	5,56	5,56
Medical	1,41	1,41	1,41	1,41	1,41
Scientific and Minor Departments	1,46	1,46	1,46	1,46	1,46
TOTAL CIVIL DEPARTMENTS	38,82	38,82	40,08	40,08	40,08
Superannuations (excluding Lapsed Funds)	49	49	49	49	49
Stationery	1,23	1,23	1,23	1,23	1,23
Miscellaneous (Provincial)	8,18	8,18	7,38	7,38	7,38
TOTAL MISCELLANEOUS	9,90	9,90	9,10	9,10	9,10
Total Civil Heads	7,58,38	3,50,20	7,60,23	3,48,98	3,41,43
Public Works.					
Railways (Details in Statement C)	1,02,61	47,61	1,05,36	50,56	1,00,19
Irrigation and Navigation—					
Major Works	13,30	13,30	13,30	13,30	13,30
Minor Works—					
Calcutta and Eastern Canals	5,70	5,70	5,70	5,70	5,70
Nuddan Rivers	2,00	2,00	2,00	2,00	2,00
Other Revenues	1,04	1,04	1,74	1,74	1,74
TOTAL IRRIGATION, &c.	22,04	22,04	22,74	22,74	22,74
Civil Works	7,41	7,41	7,50	7,50	7,50
Total Public Works	1,32,12	77,12	1,35,60	81,10	1,30,43
TOTAL REVENUES	8,90,50	4,27,41	8,95,82	4,30,08	4,71,86
Adjustments—					
For various transfers of expenditure . . . . .	...	—2	...	—2	...
Inter-Provincial (including share of duty on Shahjahanpur rum) . . . . .	...	+1,28	81	81	81
TOTAL RESOURCES	8,90,50	4,28,67	8,96,66	4,30,90	4,72,70

(a) The Government of India letter No. 2187, dated July 26th, 1886, proposes the assignment of a fixed sum plus a quarter of the increase. We adopt in this statement the somewhat more convenient, but equivalent, course of assigning one-quarter of the whole, minus a fixed sum.

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B.—STATEMENT OF REVENUE.

.....	BUDGET ESTIMATE OF 1886-87.		ESTIMATES NOW ADOPTED.		
	Total.	Provincial share.	Total.	Provincial share as at present.	Provincial share as proposed.
1	2	3	4	5	6
Civil Heads.	R	R	R	R	R
Refunds—					
Land Revenue	50	16	50	16	12
Divided Heads	1,78	89	1,78	89	1,23
Provincial Rates	7	7	7	7	7
Land Revenue—					
Surrey and Settlement	5,75	1,86	3,30	1,08	90
Collectors and Establishments	27,08	27,08	27,08	27,08	27,08
Government Estates	3,57	3,57	2,00	2,90	2,90
Other Heads	2,81	2,81	2,88	2,88	2,88
Salt (Provincial Establishment)	19	19	11	11	11
Stamps	5,00	2,50	4,82	2,41	3,62
Excise	3,92	1,96	4,04	2,02	1,01
Customs	4,98	4,08	4,95	4,95	4,95
Assessed Taxes	3,65	45	1,70	45	85
Forests	4,70	2,35	4,50	2,25	2,25
Registration	6,37	3,18	6,22	3,11	3,11
TOTAL REVENUE HEADS	70,40	52,08	61,85	50,36	51,08
General Administration, (except Account office, and Bank charges)	15,59	15,59	15,28	15,28	15,28
Law and Justice, Courts	77,87	77,87	78,11	78,41	78,41
Law and Justice, Jails	18,11	18,41	17,28	17,28	17,28
Police (excluding East Indian Railway)	46,82	46,82	46,52	46,52	46,52
Marine	7,06	7,96	7,79	7,79	7,79
Education	33,92	33,92	32,46	32,46	32,46
Medical	14,50	14,50	14,26	14,26	14,26
Scientific and Minor Departments (except Archæo- logical)	3,52	3,52	3,30	3,30	3,30
TOTAL CIVIL DEPARTMENTS	2,18,59	2,18,59	2,15,30	2,15,30	2,15,30
Superannuations	13,89	13,74	13,24	13,24	13,24
Stationery (except purchases for Central Stores)	10,98	10,98	10,98	10,98	10,98
Miscellaneous (Provincial items)	3,40	3,40	3,40	3,40	3,40
TOTAL MISCELLANEOUS	28,27	28,12	27,62	27,62	27,62
Total Civil Heads	3,17,26	2,98,79	3,07,77	2,93,28	2,94,00
Public Works.					
Telegraph	1	1	1	1	1
Railways—					
Famine	15	15	...	...	...
As in Statement C	88,50	51,30	91,81	54,36	87,32
Miscellaneous Railway Expenditure	60	60	...	...	...
TOTAL RAILWAYS	89,25	62,05	91,81	54,36	87,32
Irrigation and Navigation—					
Major Works	34,14	34,14	34,14	34,14	34,14
Minor Works—					
Orissa Coast Canal	3,75	3,75	...	...	...
Other new Works	25	25	...	...	...
Maintenance, Repairs, &c.	5,27	5,27	5,00	5,00	5,00
Agricultural Works	6,56	...	6,50	...	6,50
TOTAL IRRIGATION, &c.	49,97	43,41	45,64	39,14	45,64
Civil Works—					
Original Works	5,00	5,00	7,10	7,10	7,10
Repairs	13,50	13,50	12,22	12,22	12,22
Establishment	13,09	13,09	10,78	10,78	10,78
Civil Officers	1,06	1,06	40	40	40
Other Charges	41	41	50	50	50
TOTAL CIVIL WORKS	33,06	33,06	31,00	31,00	31,00
Total Public Works	1,72,29	1,28,53	1,68,46	1,24,51	1,63,97
Total Civil Heads and Public Works.	4,89,55	4,27,32	4,76,23	4,17,79	4,57,97
Contributions to Local	2,00	2,00	1,59	1,59	1,59
GRAND TOTAL OF EXPENDITURE.	4,91,55	4,29,32	4,77,82	4,19,38	4,59,56

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C.—RAILWAY TRANSACTIONS.

1	BUDGET OF 1886-87.		ESTIMATES NOW ADOPTED.		
	Total.	Provincial share.	Total.	Provincial share as at present	Provincial share as proposed.
	2	3	4	5	
	R	R	R	R	R
<i>Gross Earnings—</i>					
Northern Bengal	23,00	23,00	25,00	25,00	25,00
Tirhoot	13,75	13,75	14,70	14,70	14,70
Patna-Gya	5,17	5,17	5,17	5,17	...
Nalhati	77	77	79	79	79
Dacca-Mymensingh	3,50	3,50	3,75	3,75	3,75
Kaunia-Dharla	1,45	1,45	1,45	1,45	1,45
Eastern Bengal	55,00	...	54,50	...	54,50
TOTAL	1,02,64	47,64	1,05,36	50,86	1,00,19
<i>Working Expenses—</i>					
Northern Bengal	13,65	13,65	15,50	15,50	15,50
Tirhoot	9,00	9,00	9,20	9,20	9,20
Patna-Gya	2,85	2,85	2,85	2,85	...
Nalhati	65	65	65	65	65
Dacca-Mymensingh	3,25	3,25	3,25	3,25	3,25
Kaunia-Dharla	1,20	1,20	1,20	1,20	1,20
Eastern Bengal	28,35	...	29,50	...	29,50
TOTAL	58,95	30,60	62,15	32,65	59,30
<i>Interest Charges—</i>					
Northern Bengal	8,88	8,48	8,88	8,48	8,88
Tirhoot	5,85	5,84	5,85	5,84	5,85
Patna-Gya	1,64	1,51	1,64	1,51	...
Nalhati	14	14	14	14	14
Dacca-Mymensingh	2,48	2,45	2,48	2,45	2,48
Kaunia-Dharla	38	...	38	...	38
Assam-Bihar	3,32	3,29	3,32	3,29	3,32
Eastern Bengal	6,86	...	6,97	...	6,97
Diamond-Harbour (adjustment) . . . . .	...	-1,01	...	...	...
TOTAL	29,55	20,70	29,66	21,71	28,02
Total of Working Expenses and Interest	88,50	51,30	91,81	54,36	87,32
<i>Net Return—</i>					
Northern Bengal	+47	+87	+62	+1,02	+62
Tirhoot	-1,10	-1,09	-35	-34	-35
Patna-Gya	+68	+81	+68	+81	...
Nalhati	-2	-2	...	...	...
Dacca-Mymensingh	-2,23	-2,20	-1,98	-1,95	-1,98
Kaunia-Dharla	-13	+25	-13	+25	-13
Assam-Bihar	-3,32	-3,29	-3,32	-3,29	-3,32
Eastern Bengal	+19,79	...	+18,03	...	+18,03
Diamond-Harbour (adjustment)	+1,01
TOTAL	+14,14	-3,66	+13,55	-3,50	+12,87

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DISSENT BY THE LOCAL MEMBERS OF THE COMMITTEE.

Certain specific points on which we differ from the permanent members are briefly noticed below. Speaking generally, we should have preferred in some cases, not specially noticed, to suggest enquiry, instead of expressing a definite opinion; and we cannot but think that Bengal has been perhaps unavoidably, but none the less really, placed at a disadvantage by the fact that the terms of the proposed new Contract are chiefly based upon the estimates of 1886-87, which, in consequence of circumstances that need not be discussed here, were cut down in some departments below the lowest point compatible with efficiency.

STAMPS.

We doubt the expediency of amalgamating the office of Superintendent of Stamps and Stationery with the Collectorship of Customs, as proposed, till the two offices can be brought under one roof. The Collector of Customs cannot absent himself from his office during office hours; and consequently the control, which he could exercise over the work of the Stamp Office, except in the Correspondence Department, would be merely nominal. The savings which can be effected by good administration in the Stationery Office are very considerable, and in the Stamp Department the Superintendent has charge of stamps aggregating over 13 crores in value. Any retrenchment lessening the efficiency of the administration, or leaving more room than at present exists for the possibility of fraud would, we think, be a short-sighted economy. There is space in the Custom House premises for a Stamp and Stationery Office, with suitable godowns, but want of money during the last few years has made it impossible for the Local Government to provide the necessary accommodation. Para. 39.

FORESTS.

We are not aware that there has been any intentional want of co-operation between the Northern Bengal State Railway and the Forest Department. It may have occasionally happened, in the course of the dealings between the two Departments, that slight differences of opinion have occurred, and this seems inevitable in all such transactions. But we do not think there is any ground for inferring that the financial advantage of the Province has been lost sight of. Para. 10.

REGISTRATION.

We should have preferred to suggest R700 and R500 as the salaries of the two Inspectors. Para. 12.

LAW AND JUSTICE.

We are decidedly of opinion that the salary of the Junior Presidency Magistrate should not be less than R1,000 a-month, and would prefer to retain the present figure R1,250, because we think it necessary that he should be an Para. 16.

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Dissent by the Local Members of the Committee.

officer of sufficient standing to take up important work in the occasional absence of his colleague. Considering the enormous population and large area over which the Presidency Magistrates exercise jurisdiction, we consider the present scale of remuneration to be very moderate, and we deprecate any change tending to lower the status of the Bench.

We dissent from the proposal to reduce the salaries of the Third and Fourth Judges of the Calcutta Small Cause Court from R1,300 and R1,125 to R1,000 and R800, because we are of opinion that the lower salaries proposed would not suffice to attract suitable men. There is no difficulty in finding Bengali gentlemen well-fitted for such posts, but they must be sought, we think, rather amongst Pleaders than in the regular Judicial Service, whose experience in the mofussil does not qualify them to deal with much of the work coming before a Small Cause Court in a great commercial centre like Calcutta. We feel much doubt whether the Suburban Small Cause Court at Sealdah has to deal with the same class of work as the Calcutta Court; and even if the statement in the Note on this subject be correct, it has still to be considered whether the work at Sealdah is satisfactorily done, and on this point we have no information. Even at Madras, where the area over which the Court's jurisdiction extends is, we believe, in great part agricultural, and where the money limit is R2,000, while in Calcutta it is R5,000, no Judge, as appears from the *Civil List*, receives a salary of less than R1,000, though the cost of living is there comparatively small.

JAILS.

If the cost of transport, including escorts, be taken into consideration, we doubt whether the abolition of district jails, as proposed, will result in so large a saving as is hoped for. The question, whether it is worth while to incur the inconvenience involved in leaving certain districts without separate jails for their own short-term prisoners, must depend on the amount of the saving to be effected; but that the inconvenience would be serious, we entertain no doubt.

POLICE.

The proposal to reduce the numerical strength of the staff of District Superintendents and Assistants is one which we cannot accept, as we are informed that even with the existing staff inexperienced Assistants have often to be placed in charge of districts. Again, the improved working of the Bengal Police in recent years is, we believe, in great part due to the frequent inspections; and these would not, in large districts, be possible without an Assistant to take a share in the work. The proposal to reduce the number of Assistants therefore seems to us to involve a sacrifice of efficiency to economy.

It may be as well to note here that when the terms, on which the Eastern Bengal Railway system is to be transferred to Bengal, have been finally settled, an assignment will be necessary on account of the Railway police costing at present R41,520.

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Dissent by the Local Members of the Committee.

EDUCATION.

The Note on this subject proposes to take credit in the Contract for certain suggested reductions of expenditure, but takes no account of the gradually increasing expenditure on primary education, necessitated by what we believe to be the policy adopted by Government after full consideration of the requirements of the province. Nor is any mention made of probable requirements under the head of technical education.

In regard to the points with which the Note deals, we are unable to concur Para. 228. in some of the opinions expressed. The figures given in the annual reports, showing the number of schools visited by each inspecting officer, do not seem to us to justify the opinion that inspection in the higher grades is at present overdone; nor do we think that the information laid before the Committee furnishes sufficient grounds for the definite conclusion that the present general staff of 14 Inspectors and Assistant Inspectors could, without loss of efficiency, be reduced to 9. We find, however, that the Government of India, in paragraph 29 of its Resolution in the Home Department, dated 23rd October 1884, accepted the Education Commission's proposal that Native gentlemen of approved qualifications should be held eligible for the post of Inspector of Schools, and we are not aware of any reason why the number of Europeans employed in this capacity should be greater than is required in order to secure for a Director of Public Instruction the necessary preliminary training in administrative work. Again, there would seem to be reason for supposing that as the maintenance and management of Government schools and the distribution and payment of grants-in-aid are throughout the Province handed over to Local Bodies, the administrative work of the Department will be materially diminished. On the whole, therefore, it seems to us probable that some reduction in the strength and cost of the superior administrative staff might properly be effected, but we are unable to commit ourselves to a more precise opinion.

We are unable to concur in the proposal to abolish the Assistant Inspector- Para. 229. ship of European Schools—an appointment created after full consideration little more than two years ago. There appears to be no reason for questioning the correctness of the Director of Public Instruction's opinion that the time of both the Inspector and the Assistant Inspector is fully occupied; and the proposal to hand over the work of inspecting European schools to Divisional Inspectors is hardly compatible with the employment in this capacity of Native gentlemen who could not be expected to examine in such subjects as Latin, French, and German; nor would their competency to examine European boys in the higher standards of English be admitted by the managers of schools.

The proposals made regarding colleges are of a very sweeping character. Para. 230. The Government of India, in paragraph 33 of the Resolution cited above, bearing date 23rd October 1884, endorsed the views on this subject of the Education Commission, which, in paragraph 343 of its report, recommended that Government should withdraw from the maintenance of the Berhampore, Midnapore, and Chittagong Colleges without insisting on stringent guarantees for their continuance in a state of efficiency as independent or aided institutions; while in the case of

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the Rajshahye and Krishnagarh Colleges it held that they might be transferred with advantage to bodies of native gentlemen, provided the new managers give satisfactory guarantees that the college will be maintained permanently in full efficiency, and in such a way as to make it adequate for all the wants of the locality. In pursuance of this policy, the Midnapore College is being made over to the municipality of that place with a grant-in-aid, and the Berhampore College is to be closed on 1st April 1887, if no one before that time agrees to take it over. With respect to the Chittagong College, no action appears to have been taken, but the cost of this institution is so trifling that, from a financial point of view, the matter is of no importance. The permanent members, if we understand them rightly, now propose that withdrawal from the maintenance of the Rajshahye and Krishnagarh Colleges should be unconditionally resolved upon, and that the Hooghly and Dacca Colleges should also be placed in the same category with those at Berhampore, Midnapore, and Chittagong as institutions which Government may properly relinquish without requiring guarantees for their permanent maintenance in a state of efficiency. We assume this to be intended, because otherwise the calculations made regarding the savings to be effected during the next five years would obviously have no solid basis. The question how far Government is pledged to maintain the Rajshahye and Krishnagarh Colleges has not been considered, and no reason is given for setting aside the opinion on this subject, which has hitherto been accepted. The proposal to close or withdraw unconditionally from the maintenance of the Hooghly and Dacca Colleges is one, which cannot properly be considered solely from a financial point of view, and we do not feel called upon to express any positive opinion regarding it.

Para. 232.

It is further recommended that the Calcutta Madrassa and the Sanserit College (so far as regards its English teaching up to the First Arts standard) should be amalgamated with the Presidency College. With respect to these proposals, some explanation is necessary. The Madrassa is a large school with 1,104 students on its rolls at the end of March 1886. The college department (to which alone the Note probably refers) was created in January 1884, and though the number of students has increased from 15 in March 1885 to 20 in March 1886, the institution is still in its infancy. Whether or not it should be relinquished, so soon after its formation, is a question involving political and other considerations, on which we do not feel justified in expressing a positive opinion; and in any case the saving would be very small. The students of the Sanserit College pursue their English studies up to the First Arts standard in that institution, while in studying for the B.A. degree they attend the lectures delivered in the Presidency College. This arrangement was doubtless made for some practical reason, and we are unable to say whether it is susceptible of improvement, or whether any more economical arrangement could be made without detriment to efficiency.

Para. 234.

We concur with the permanent members in thinking it important that as colleges are abolished or handed over to local bodies, and as Native gentlemen take the place of Europeans in the inspecting staff, the normal strength of the graded services should be reduced, no vacancy being filled up till the

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service has been brought down to the reduced strength fixed upon as appropriate to the altered circumstances. But the calculations on this subject in the Note are, we think, in several respects open to criticism. They assume, as we are unable to do, that the colleges at Hooghly, Dacca, Rajshahye, and Krishnagarh are to be unconditionally abolished, as well as the Assistant Inspector of European Schools, and it is not considered that, even if the college department of the Calcutta Madrassa were abolished, a member of the higher graded service would still be required as Principal of the institution. The arithmetical calculations, too, seem to be open to question; since if two vacancies annually occur in a service of 40 members, a smaller number must be expected to occur each year as the strength of the service diminishes. Again, no account is taken of the necessity for a surplus staff to fill the places of men absent on furlough, or of the additional charge which must be incurred under the head of grants-in-aid, if the present Government colleges became aided institutions. On the whole, we think that till the whole subject has been treated with much more completeness than was possible in the short time at the Committee's disposal, it is premature to form any anticipations sufficiently confident to be taken as part of the basis of a financial contract.

RAILWAYS.

In paragraph 334 it is stated that the provision to be made in the new Contract for the charge for interest on Railways will ultimately be determined in the Revised Estimate by the usual calculation upon the capital expenditure, and that meantime it is sufficient to take it as it stands in the Budget Estimate. On this point we think it necessary to place on record here that the Revised Estimate will not show the proper interest charge for which provision should be made in the new Contract. In the orders of the Government of India, Public Works Department, No. 107A.G., dated 24th March 1886, in which it was ruled that the recorded capital outlay on Railways should be increased by the amount of the accumulated loss by exchange on capital account up to date, and that the interest charge should be increased *pro tanto*, it was at the same time ruled that this increase of interest charge against Provincial Railways should not begin to take effect till 1887-88. There will therefore be no provision for it in the Revised Estimate of the current year. But obviously an allowance should be made for it in framing the new Contract. The amount which will require to be added to the interest charges of the current year on this account is given below:—

	Past loss by Exchange.	Additional Interest to be provided for.
Northern Bengal State Railway	8,65	35
Tirhoot State Railway	8,75	35
Nalhati ditto	39	2
Dacca ditto	3,21	13
Kaunia and Dharla State Railway
Assam-Bihar ditto	2,32	9
Eastern Bengal ditto	2,50	10
TOTAL	25,82	1,04

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Dissent by the Local Members of the Committee.

CIVIL WORKS.

Para 391. We are of opinion that the proposed provision of ₹12,22,000 for repairs to Civil Works will not be sufficient, and in our opinion this contention is borne out by the figures quoted in the paragraph. They show that the expenditure on repairs has gone on increasing in each successive quinquennial period above that of the previous period, and they lead to the obvious inference that the expenditure of the next Contract will require to be larger than that of the current Contract. But whatever conclusion may be drawn from the figures, the fact remains that owing to the severe restrictions placed on expenditure during the past three years many of the metalled roads of the Province are now worn down to the soling and require heavy renewals.

Para 404. We think the proposed grant of 31 lakhs for Civil Works inadequate for the wants of the Province.

S. T. TREVOR.
R. H. WILSON.

CALCUTTA,
The 11th December 1886.

The Future Provincial Contract with Assam.

Preliminary.

CHAPTER IX.

THE FUTURE PROVINCIAL CONTRACT WITH ASSAM.

[Figures printed thus,—2,08—without designation, mean thousands of rupees.]

PRELIMINARY.

Appendix No. VII to this Volume shows in detail the working of the Provincial Contract of 1882 in Assam. An abstract statement of receipts and expenditure is subjoined:—

Statement of Provincial Revenue and Expenditure in Assam from 1882-83 to 1886-87.

1	REVENUE.					EXPENDITURE.				
	CIVIL.		PUBLIC WORKS.			PUBLIC WORKS.				
	Principal Revenue Heads.	Other Departments.	Ordinary.	Railways, &c., not.	TOTAL.	Civil.	Ordinary.	Interest on Railway, &c., capital.	Capital expenditure.	TOTAL.
2	3	4	5	6	7	8	9	10	11	
Average Assignment	38,90	2,94	20	...	42,04	30,62	10,33	...	...	40,95
1882-83	39,13	3,03	16	...	42,37	29,70	11,23	...	...	40,95
1883-84	41,32	3,41	10	...	44,83	31,82	12,47	...	1,06	45,35
1884-85	42,52	3,41	5	...	45,95	32,76	11,78	53	4,89	50,01
1885-86 (Revised)	42,14	3,44	6	...	45,59	32,15	8,43	1,00	2,71	44,34
1886-87 (Budget)	42,80	3,54	6	+1	46,41	33,83	14,17	1,05	48	49,53
Total five years	2,07,91	16,88	43	—7	2,25,15	1,60,26	58,18	2,63	9,14	2,30,21
Five times average Assignment	1,94,50	14,70	1,00	...	2,10,20	1,53,10	51,65	...	...	2,04,75

N.B.—For an explanation of the method by which the above figures are arrived at, see paragraph 10 of Chapter II, page 14.

2. The Province started with a balance of 10,40, and as the assigned revenues exceeded by 1,09 the then estimate of the assigned expenditure, it would have had, if no change had occurred in the scale of Revenue and Expenditure, a balance at the end of the five years of 15,85.

3. By increase of revenue over the scale of the assignment, the Province has benefited to the extent of 14,95. Of this, 3 lakhs is under the head of Land Revenue, 3½ lakhs under the head of Stamps, and nearly 6 lakhs under the head of Exeise. The remainder comes for the most part under Civil Departments (chiefly Police), representing only receipts against new expenditure incurred.

4. The 15,85 + 14,95, or 30,80 is thus accounted for—

Additions to Public Works Expenditure (including amounts spent through Local Boards)	6,53
Railway construction and Railway subsidies	11,77
Increase of Civil Expenditure	7,16
Special grant in 1886-87 to the Imperial Treasury	2,00
Final balance (as now estimated)	3,34
TOTAL	30,80

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Land Revenue.

The third head, Increase of Civil Expenditure, includes 2,45 spent on Revenue Surveys, 2,86 spent on Police, chiefly Frontier Police (in addition to an increase of 1,05 for the last four years, or 4,20 in all, contributed by the Imperial Government and added to the assignment of the Provincial share of Land Revenue), 14 under Law and Justice, 30 under Education, and 1,48 under Medical.

5. It has also to be noted that during the period of the contract the receipts from Local Rates have risen from 3,45 to 5,09 a year, and that, entirely outside the Provincial account, there has been to this extent an increase in the scale of expenditure, chiefly on Medical, Education, and Public Works.

6. This introduction will show that, under those heads of expenditure in which the Local Government might be called on to justify an increase, there has been very little advance beyond the scale of 1882; the greater part of the increased resources of the Government having been devoted to Railways and Public Works. Except under these last-mentioned heads, our examination of the figures (which we proceed to take up, head by head) has mostly ended in our accepting the existing scale of expenditure as measured by the Budget Estimates, subject, of course, to the corrections which these figures will receive, when the Revised Estimates are prepared.

LAND REVENUE.

7. *Revenue.*—The Receipts show a steady increase, the figures of four years to 1885-86 being 38,55; 39,47; 40,49 and 42,30. The Budget Estimate for 1886-87 was 41,38, being based on what has turned out to be a somewhat low Revised Estimate for 1885-86; but the Chief Commissioner says he sees no reason for taking the figure lower than 42,30.

8. *Expenditure.*—Taking the two heads of Collectors' establishments and Charges for collection together, the figures are—

	1882-83.	1883-84.	1884-85.	1885-86, Revised.	1886-87, Budget.
Collectors' establishments . . .	4,60	4,77	4,86	5,08	5,35
Charges for collection . . .	3,41	2,88	2,67	2,63	2,59
TOTAL	8,01	7,65	7,53	7,71	7,94

Appointment of new Tehsildars.

There has been a continual transfer of certain charges from the latter to the former of these heads, owing to the substitution of Tehsildars on fixed salaries for the Mauzadars, who are paid by commission, for collecting the Revenue. Ten new Tehsildars have been created in the place of about sixty Mauzadars, and the result has been a saving of about 18.

9. If we take 7,60 as the standard of expenditure in 1883-84 and 1884-85, we have to account for an increase of 11 in 1885-86 and of 34 in 1886-87 over this standard. Of this last about 14 comes under Salaries and 8 is due to transfer from Registration of the charges for Record-room management. The question about "Salaries" is practically whether the

Increase over standard of 1883-85. Appointment of Additional Sub-Deputy Collectors.

The Future Provincial Contract with Assam.

Stamps.

amount written off as "probable savings" sufficiently represents the real difference between full scale and actual cost, and this seems doubtful. But part of the increase is real and is due to the appointment of Sub-Deputy Collectors, of whom the number has risen in three years from four to twelve, and of whom it is intended to appoint four more.

10. The Chief Commissioner asks for the full assignment of 7,94, less an increase of 11 in Contingencies, of which he says he has been unable to ascertain the cause, but which is really due to the Record-room charges above quoted. It seems clear that the Budget Estimate of 7,94 is too high, and that the Revised will probably only amount to about 7,80, for both heads. But, as any change in the Budget figure depends on consideration of the Revised Estimate, we may meantime take the Budget figure.

11. It is to be noted that the "Charges for collection" are at present proportionally divided between Imperial and Provincial; but since, as above explained, they are being gradually extinguished, new charges under the entirely Provincial head of "Collectors' Establishments" being substituted for them, it seems advisable, in future, to make them entirely Provincial.

12. The charges under the head of Survey and Settlement represent—

- (1) The employment of a Party on Cadastral Survey, which cost 1,30 in 1884-85, and 1,22 (Revised Estimate) in 1885-86. The Budget Estimate for 1886-87 is a little higher (1,39), but may be accepted pending Revised.
- (2) A Settlement Party under an Extra Assistant Commissioner costing about 50.
- (3) A Waste Land Survey costing 9.

13. The Survey and Settlement are directly under the Director of Agriculture and form the most important of his duties. They are likely to continue during the whole of the next five years. Apart from their necessity for the better administration of Land Revenue, and for the maintenance of a correct Record of Rights, they are directly productive to an extent sufficient to justify their cost. The increased Revenue produced in 1884-85 was R8,359 and in 1885-86, R10,493—a return of about 6 per cent. on the expenditure, and a rise of from 5 to 7 per cent. above the former Land Revenue of the surveyed areas. The Waste Land Survey is temporary only, or, if continued, will be a recoverable charge.

14. The amount to be granted under this head is therefore 9 less than the Budget Estimate; or, when the Revised comes in, 9 less than the Revised. This is the measure of the Chief Commissioner's demand.

15. A small sum of 1 has to be provided for Rents, &c.

STAMPS.

16. *Revenue*.—The stamp revenue shows a small but steady increase and may be taken at the Budget figure.

The Future Provincial Contract with Assam.

Excise. Assessed Taxes. Forests.

17. *Expenditure*.—The Budget figure may also be taken for the expenditure, which is a little less than the expenditure of 1885 and 1886, because during part of those years an excessive discount was allowed upon Court-fee stamps. The rate has now been reduced to three pies per rupee. The sale charges are almost entirely discount, as there are no salaried vendors in Assam. The Assam rules follow Bengal in allowing discount on Court-fee stamps up to a value of ₹75. ₹50 is the usual limit in other Provinces, and should be adopted in future.

EXCISE.

18. *Revenue*.—Here, too, the Revenue, of which over three quarters come from opium, shows a steady and slightly increasing figure. We take the Budget Estimate pending the Revised. A very slight falling off has appeared in the last year, into which the Chief Commissioner states that he is enquiring.

19. The two distilleries in Assam were protected by having only to pay the light duty of ₹2 per gallon: when the duty was raised to ₹4 per gallon, they were closed, being unable to compete with the rum distilled at Sháhjahánpur and Cossipur. The duty on that rum is now received by Bengal, and should in future be transferred to Assam. We have not the exact figures at present, but they will be obtained before the Revised Estimates are sent in and in good time for the settlement of the Contract. Whatever is added in this way to Assam is taken from Bengal and does not affect the Imperial Revenue.

20. *Expenditure*.—On the Expenditure side, the charges are composed of 2½ for share of Superintendence, and 5½ for District Establishments, mostly peons. Besides this, the work of supervising the payments of licensees does in fact, we understand, employ the whole time of an excise clerk in each District, and it would be better that he should be shown under the proper head, instead of, as now, under Land Revenue.

ASSESSED TAXES.

21. The License Tax was not in force in Assam, and thus, of the receipts and expenditure on account of the Income Tax, no part is at present shown in the Provincial column. The Budget Estimate for 1886-87 is 1,80 Receipts and 5 Expenditure, which may be accepted pending Revised.

FORESTS.

22. The Government forests in Assam are a property, for the produce of which there is as yet hardly any effective demand. The expenditure is of a preliminary kind—Roads and Buildings, Survey and Demarcation, Fire-protection, and experimental planting. Meantime enough revenue is realised, chiefly by the export of timber removed by contractors from the districts nearest to Bengal, to just cover the cost of the Department. The figures of the last three years have been—

	1883-84.	1884-85.	1885-86.
Revenue	2,11	1,80	1,97
Expenditure	1,97	1,97	2,11

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Registration. Refunds. General Administration.

23. We think that the Forest expenditure should be limited by the Forest income. The Budget Estimates of every year of the Contract have expressed this intention, though in the last two years it has not been realised. We would provide under this head, 2,10 *minus* 2,00, as against the Budget of 1886-87, which is 2,25 to 2,05.

Future estimates.

REGISTRATION.

24. The Budget figures are small, namely, 33 Revenue and 23 Expenditure, both a little higher than the past, but in their net result much the same. We take the figures as they stand.

REFUNDS.

25. The averages of three past years (including the Revised of 1885-86) are 7 for Land Revenue, 6 for Stamps, 2 for Excise, and 1 for Forests. There seems no reason to take higher figures than these.

GENERAL ADMINISTRATION.

26. The figures under this head require a little examination, because the Chief Commissioner and establishments are on so moderate a scale that an "acting" arrangement often produces an appreciable difference on the whole amount. For the Chief Commissioner's salary we must allow the full scale of 48, and for his tour expenses 7. The Secretariat cost R81,541 in 1883-84, R75,757 in 1884-85, and R77,400 in 1885-86 (Revised). In none of these years were the full salaries of the Secretary and Assistant Secretary paid; but the figure of 1883-84 was enhanced by about R3,000 of extra contingent charges. The Budget of 1886-87, which provides for the full scale of salary and apparently a little more than will be spent on establishment, stands at R80,600; and the Chief Commissioner proposes R80,000 for the assignment. This seems a proper amount, even though there may, in consequence of "acting" arrangements, be a saving in the Revised.

27. The same considerations apply in fixing the amount to be assigned for the Commissioner and his establishment, which we take at the Chief Commissioner's estimate of R56,000. The Secretariat establishment consists of 32 men on an average salary of R100 a month, and the Commissioner's of 26 men on an average salary of about R60. Both these, and especially the last, are more numerous than the corresponding establishments in Burma and the Central Provinces; but the form of the administration (one Commissioner in Assam against four in Burma and four in the Central Provinces) appears to adequately explain the excess in the Secretariat, and the Commissioner has to perform Revenue and Judicial functions in six districts, a larger Division than any in the other two Provinces referred to.

28. Two other small charges of R4,200 and R200 make up the estimate. The total comes to R1,95,400, or, in round figures, say, 1,95.

Total charges.

29. We insert here a suggestion that the Deputy Commissionership of the Naga Hills and the Manipur Political Agency might be amalgamated. The work of the two appointments is very similar in its nature, requiring firmness, physical energy, and the gift of understanding and governing savage races. The tribes, who inhabit the Naga Hills, have now to a great extent settled down

Amalgamation of the Naga Hills' Deputy Commissionership and of the Manipur Political Agency, proposed.

The Future Provincial Contract with Assam.

Law and Justice, Courts and Jails.

and accepted British rule, the country has been opened up by roads, and Kohima is connected by a good riding road with Manipur. The administrative, judicial, and revenue work in the Naga Hills is very light, and the ordinary political work in Manipur is extremely so. If the present Chief Commissioner agrees and the Government of India accepts the proposal, the present would be a convenient time for the amalgamation, as the post of Deputy Commissioner is vacant. We think an additional Assistant Commissioner might be granted and one Deputy Commissioner in the Assam Commission reduced. There would not be much economy except that caused by the difference in the salaries, as the small clerical establishments in the two places would have to be retained.

LAW AND JUSTICE, COURTS.

30. *Expenditure.*—The Budget Estimate under Civil and Sessions Courts seems to be a little overstated. The actuals of 1883-84 and 1884-85 were 1,33½ and 1,32½; but the provision is increased to 1,38 in the Budget by the addition of 5 to the process-serving charges. Half the amount is salaries of a Judge, subordinate Judge and nine Munsiffs, and another quarter of it is process-serving charges, and therefore recoverable. We may take the Budget figure and expect it to be reduced a little in the Revised.

31. The expenditure provided in the Budget under Criminal Courts shows the same increase of 14 under Salaries, which has been remarked on under "Land Revenue," and a further increase of about 6 under Contingencies, which the Chief Commissioner in his Note states to be unnecessary. Both these increases ought, for the most part, to disappear in the Revised Estimate, pending which we may take the Budget Estimate of 3,94.

32. The remaining charges in the Budget come to 17 for Refunds, 4 for Government pleaders, and 1 for Rents, all of which closely correspond with the actuals of 1883-84 and 1884-85 (except that refunds came to only 13½ in 1883-84).

33. *Receipts.*—The receipts amounted to 80 in 1883-84, 79 in 1884-85. The Budget provides 74, which may be taken pending the Revised.

34. The estimate on the whole head accordingly is accepted at Budget figures, namely, 5,54 for Expenditure and 74 for Receipts.

LAW AND JUSTICE, JAILS.

35. The figures under this head are as follows : —

	1883-84.	1884-85.	1885-86, Revised.	1886-87, Budget.	Chief Com- missioner's proposal.
Manufactures—					
Receipts	72	84	73	85	85
Expenditure	23	18	19	24	21
Other charges	90	94	86	1,06	93
Other receipts . . . . .	...	1.	1	1	1

The Future Provincial Contract with Assam.

Police.

36. We have shown here the figures proposed in the Chief Commissioner's Note, because in that Note he points out, correctly as it seems to us, that the expenditure was, in the Budget, placed at too high a figure. We think his figures as to expenditure may be accepted, but as regards receipts, they may turn out to be a little too high. The Budget provided for the realisation in 1886-87 of certain receipts due for 1885-86, and unless 1885-86 and 1886-87 together show an average of 85, it seems doubtful if the figures should be placed so high. We take them, meantime, with the rest of the Chief Commissioner's estimates.

POLICE.

37. *Expenditure.*—The Police expenditure of the Province during the term of the Contract has expanded from 7,69 in 1882-83 to 9,74 in the Estimate of 1886-87, mainly through the organisation of a Frontier Police Force, towards which the Government of India gave an additional annual assignment of 1,05, leaving the rest of the cost to be borne by the Province. The Chief Commissioner proposes an assignment of 10,00; as, though he reduces by 10 the estimate for ordinary Police, he adds 30 to the charge for the Frontier Force, explaining that the force is still short of sanctioned strength, and that he is being pressed to increase it by some two hundred men.

38. Excluding the Frontier Force, which was not shown separately till 1884-85, the expenditure has been 4,55 in 1881-85, 4,76 in 1885-86 (Revised), and 4,84 in 1886-87 (Budget). According to the estimates there has been no increase in the strength of the force; and from a comparison of recent estimates with recent actuals it would appear likely that a considerable share of the increase in the Estimates will disappear in savings, when the accounts are made up. The District and Assistant Superintendents do not, however, belong to a separate service, but are transferred from Bengal; and the Province is liable at any time to have to pay for a more expensive set of officers, if a larger proportion of senior men are sent to it. As above remarked, a little alteration of this kind may have a serious effect on the finances of so small a Province. It seems best, therefore, to take the Budget figures, subject to the Revised Estimate. We have considered whether the

88,100 provided for the maintenance of the *Kestrel* might be retrenched. This steam launch was provided for the use of the Inspector-General of Police before the daily steamer service on the Brahmaputra existed, and we think that, though it may on rare occasions be useful, it can no longer be necessary. As, however, the Chief Commissioner protests against this retrenchment as injurious to efficiency, we do not enforce our suggestion by excluding the sum from the Contract. It seems sufficient to allow 4,75 under the head of Civil Police, against the Chief Commissioner's demand of 4,80, and it is possible that examination of actuals may reduce it to 4,65.

39. The Frontier Force is of a somewhat special character and we admit the claim to 5,20. It is contrary to our custom to allow for any increase of expenditure; but considering that, if the Frontier Police is made completely efficient, it will enable the Government of India to withdraw at least one of the four regiments now stationed in Assam, we think the provision of this sum will be really economical. The expenditure figure will therefore be $5,20 + 4,75 = 9,95$.

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Marine. Education.

40. *Receipts*.—Under Receipts, the Chief Commissioner proposes an estimate of 1,10 against 1,16 in the Revised of 1885-86 Budget Estimate accepted. and in the Budget of 1886-87. The actuals of 1885-86 were 1,19, and though they included some irregular receipts quoted by the Chief Commissioner, there is no reason to think that Cattle-trespass fines and Clothing recoveries will cease to expand. Especially as the Chief Commissioner has expressly estimated for considerable expansion upon the expenditure side, we would not go below the 1,16 of the Budget.

41. The cost of the Police charges taken over from the Municipalities in 1882 and 1883 was R11,457 and the entire charges Municipal Police charges. borne by the Government for sanitation, medical relief, and primary education, were transferred to the Municipalities at the same time. The total charges thus transferred amounted to R9,540, so that they did not in all cases equal the charges taken over; but the responsibility of the Municipalities, to spend up to the amount of which they were relieved, has been recognised and impressed upon them.

MARINE.

42. *Expenditure*.—The main charges under this head are subsidies to Steamer Companies for accelerated services. R35,000 Steamer subsidies. are paid on this account on the Brahmaputra, and an arrangement has been made to pay R20,000 on account of a similar service on the Sylhet river.

43. The remaining charges are for the maintenance of two steamers, the *Lark* and the *Cygnat*, at about R9,000 each (one of Maintenance of steamers. these items was omitted from the Budget of 1886-87); Pilotage R1,000; and Miscellaneous, say, another R1,000; total R20,000.

44. There was a third provincial steamer, the *Dove*, but for her no provision has been made, as she is utilised by the Cherra Mountain Railway, to run between the temporary terminus and Chatak.

45. The *Cygnat* and *Lark* are employed on political work, plying between Dibrugarh and Sadiya, carrying provisions and stores for the troops and Frontier Police at the latter place.

46. We allow therefore R55,000 for steamer subsidies, and R20,000 for Total provision made. the two Government steamers.

47. *Receipts*.—The receipts are small and may be taken at the Budget Estimate of 4.

EDUCATION.

48. There has been a small increase both of receipts and of expenditure under this head, the Provincial part of the figures being—

	1882-83.	1884-85.	1886-87, Budget.
Receipts	31	38	39
Expenditure	159	164	188

49. *Expenditure*.—A great part of the increase from 1884-85 to 1886-87 is under the head of Salaries, the Inspector costing R4,000 more and masters of schools another R6,000. Then Items of increase. there is an increase of R8,000 under "Miscellaneous," of which 3 arises from the inclusion of "Registration of Books" under this head.

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Medical. Scientific and Minor Departments.

50. The charge for the Inspector depends upon the grade of the officer holding the appointment. The permanent incumbent draws less by Rs500 per mensem than the officer who has been officiating for him for half of the current year, and there will be a future decrease of 3 on this account alone, below the actual expenditure of 1886-87.

51. There seems reason to consider the Budget Estimate of 1,88 excessive by more than the 3, which the Chief Commissioner in his Note admits. We may take the Budget figure of 1,88 pending the Revised Estimate, which will be further reduced by 3 on account of the Inspector's salary.

52. Some questions of reduction of expenditure are before the Chief Commissioner, but as Local Funds provide nearly as much expenditure as Provincial and have borne a very much larger share of the increase on the whole expenditure in the Province, we do not raise objection to the increase of Provincial expenditure since 1882-83. The whole increase is shown by the Inspector to have been strictly proportional to the number of scholars taught.

MEDICAL.

53. *Expenditure.*—The Medical charges of the Province have increased from 1,20 in 1882-83 to 1,45 in the estimates for 1886-87: and this last figure the Chief Commissioner states to be in excess by 5. The expenditure of 1885-86 was 1,33½, and the excess over this in the estimates is mainly by reason of full provision being made for salaries, which will not really be paid.

54. The number of Hospitals and Dispensaries has increased from 28 to 49, but the Local Funds have borne a larger share of the increased cost than the Provincial. The same may be said of Vaccination, where the Provincial charges have increased from 3 to 7.

55. We note a proposed increase of expenditure on the appointment of a Civil Surgeon to Shillong, where the duties have hitherto been adequately discharged by the medical officer of the regiment stationed there. We do not know the reason of this increase, and do not consider it necessary to make special provision for it.

56. Apart from this and viewing the large increase of Local expenditure on "Medical," we do not consider the present scale of expenditure too large to allow, and pending the Revised Estimate, which will probably shew a smaller figure, we take the Chief Commissioner's estimate of 1,40.

57. *Receipts.*—The receipts are very small, only Rs1,000.

58. The Chief Commissioner notices, however, the failure of Municipalities and of private individuals to give adequate support to the Hospitals and Dispensaries, while expecting to reap all the advantages of them; and he states that he is taking measures to remedy this. The benefit, it is understood, will, for the most part, accrue to Local, not to Provincial.

SCIENTIFIC AND MINOR DEPARTMENTS.

59. This charge was 26 in 1885-86, and is estimated at 27 for 1886-87, but the Chief Commissioner makes for the future an estimate of 26. The principal part of the charge is 12 for the salary and 7 for the other charges of the Director of Agriculture.

The Future Provincial Contract with Assam.

Superannuation Allowances and Pensions. Stationery and Printing. Miscellaneous.
Public Works—Civil Works.

a charge which, as in the other Provinces, we consider it necessary to provide for. We accept the Chief Commissioner's estimates of 26 for Expenditure and of 1 for Receipts.

SUPERANNUATION ALLOWANCES AND PENSIONS.(a)

60. The charges are slightly increasing, and we take the Budget Estimates of 60 for Expenditure and of 3 for Receipts.

STATIONERY AND PRINTING.

61. The Budget for 1886-87 provides for 68 against an expenditure of 68 and 72 in 1883-84 and 1884-85 (in which years special expenditure was incurred on machinery for the Secretariat press) and 60 in 1885-86. The increase of work in all Departments amply accounts for the increase in cost under this head, and we accept the Budget Estimates of 68 for Expenditure and of 4 for Receipts.

MISCELLANEOUS.

62. *Expenditure.*—The expenditure charged to Provincial consists of a number of small items. The three years 1883-84, 1884-85, and 1885-86 showed 20½, 15½, and 19 (Revised). We may therefore take the Budget Estimate of 19.

63. *Receipts.*—On the Receipt side, Unclaimed deposits bring in 15 to 18, and other items bring up the account to 25, which is the Budget Estimate and which we adopt for the present.

PUBLIC WORKS.

CIVIL WORKS.

64. *Expenditure.*—The discussion of the assignment to be made under this head must be preceded by a statement of the Revenue and Expenditure classified as Local. The account of Local for the five years stands as follows :—

Statement showing Local Receipts and Expenditure in Assam from 1882-83 to 1886-87.

	1882-83.	1883-84	1884-85.	1885-86, Revised.	1886-87, Budget.
<i>Receipts—</i>					
Provincial Rates	3,41	4,02	4,27	5,15	5,09
Miscellaneous	10	15	16	15	17
Civil Works	1,14	1,06	1,33	1,09	1,05
TOTAL	4,65	5,23	5,76	6,39	6,31
<i>Expenditure—</i>					
Refunds	2	...	...	...	...
Provincial Rates	10	4	5	5	5
Post Office	18	22	27	30	35
Education	93	1,16	1,31	1,50	1,68
Medical and Scientific	4	8	10	18	36
Miscellaneous	42	41	44	43	44
Civil Works	9,10	11,10	9,58	7,40	10,12
TOTAL	10,79	13,01	11,75	9,86	13,00
Deficit made up by Provincial	6,14	7,78	5,99	3,47	6,69

65. The relations between Provincial and Local are these: Provincial has made over to Local management certain definite heads of Expenditure and Receipts, the former total largely exceeding the latter, because all roads, and all but a few important Civil Buildings, in the eight districts in which Local

(a) We retain this head as Provincial, for the reasons given in paragraph 182 of Chapter VI, page 155.

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Public Works—Civil Works.

Boards exist, have been localised. Putting the Public Works aside, the Local Boards' accounts on all other heads would stand thus:—

Receipt	4,65	5,24	5,77	6,39	6,31
Expenditure on Local Heads, omitting Public Works	1,69	1,91	2,17	2,46	2,88
Surplus	2,96	3,33	3,60	3,93	3,43(a)

(a) The Chief Commissioner reckons this as under-estimated by 21.

66. This surplus the Local Bodies devote to Civil Public Works, as far as it will go, and the deficit is made up by the Provincial Government by an annual grant. Evidently, therefore the amounts so granted are just as much Provincial Public Works expenditure as that directly undertaken by the Provincial authority.

67. The actual Expenditure on Public Works during the five years is shown in the subjoined statement. It must be understood that the figures opposite Provincial Public Works indicate expenditure on the roads and buildings in the three Hill Districts and Manipur, and on the few Civil Buildings not localised in the eight Valley Districts, while the figures opposite Contributions indicate the grants made to help the Local Boards to meet their expenditure on roads and petty buildings in the eight Valley Districts. Moreover, the whole cost of the establishment which carries out Public Works, whether Provincial or Local, is shown against Provincial.

Statement showing the total Provincial and Local expenditure in Assam on Civil Works from 1882-83 to 1886-87.

	1891-92, Assignment	1892-93.	1893-94.	1894-95.	1895-96.	1896-97. (Budget).
Provincial Public Works	7,18	5,15	4,70	5,80	5,01	7,48
Contributions	3,16	6,14	7,77	5,98	3,47	6,69
TOTAL PROVINCIAL	10,34	11,29	12,47	11,78	8,48	14,17
Add Expenditure from Local Funds		2,96	3,33	3,60	3,93	3,43
GRAND TOTAL		14,25	15,80	15,38	12,41	17,60

68. We have not received the detailed explanation of this expenditure for all the past years, but the following figures have been received for two years:—

	1883-84.	1884-85.
Original Works	8,61	8,10
Repairs	3,73	3,98
Establishment	3,30	3,03
Miscellaneous	16	27
	15,80	15,38

69. The obligatory expenditure on Repairs, Establishment, and Miscellaneous comes to about 7 lakhs of rupees, and if all Original Works were to be stopped, or if the grant were to be largely cut down, a heavy reduction might be effected. But it would be unwise to treat an exceptionally backward Province like Assam on this principle, and

The Future Provincial Contract with Assam

Public Works—Railways. Adjustments. Conclusion.

we cannot recommend any greater reduction than will be effected by putting the Province back to where it stood in 1881-82, at the commencement of the current Contract, when its expenditure was 10,34. We estimate the Provincial Public Works figure at 5,00 and the contribution to Local Funds at 5,34. Allowing for an expenditure of 3,60 from Local Funds (which are steadily increasing at a slow rate), this provides a total expenditure on Public Works in the Province of 14 lakhs. The Chief Commissioner in his Note expresses a hope that the Contract may be so arranged as to allow for an expenditure of 15½ lakhs, but we do not see how this can be effected, if the Imperial Treasury is to reap any further benefit from the increase of revenue which has accrued during the last five years.

70. *Receipts.*—There are some small Provincial Receipts which we may take at the Budget figure of 6.

RAILWAYS.

71. We have to provide for a subsidy of 1,00 to the Dibrugarh Railway according to the original agreement, and for an expenditure of 5, added in consequence of an arrangement about auditing the accounts. The subsidy (1,00) is the maximum payable to the Company, and when the railway becomes a little older, we may reasonably expect the amount of this obligation to decrease.

72. The capital expenditure on the Jorhat Railway is complete; that on the Cherra Railway nearly so. The receipts from working do not more than meet the revenue expenditure, and we may take, for form's sake, a lakh on both sides. While writing this, we received information from the Chief Commissioner that unexpected difficulties and calamities on the Cherra Mountain line have necessitated the preparation of a Revised Estimate, according to which a further expenditure of 2½ lakhs is required. If this is sanctioned by the Government of India, a special grant for the amount will have to be made, pending which we make no provision for it in the future Contract.

ADJUSTMENTS.

73. We have assumed that the new Contract will annul all adjustments made since 1882 in the current Contract on account of modifications in the distribution of revenue and expenditure. They amount to 63 net, and are shown in the appended Statement A only to facilitate comparison between the existing and the proposed Contracts.

74. The inter-provincial adjustments, amounting to —30, also shown in Statement A, necessarily drop out of account. They will come in in the accounts of each year, as compensations for differences from the estimates; for example, if Assam pays the leave allowance of a Bengal officer, it will recoup the amount by inter-provincial adjustment; but, as we have not included any such payments in our estimates, we have not to show separately the corresponding compensating adjustments.

CONCLUSION.

75. We append to this chapter two Statements, A and B, which show the total and the Provincial share of all Provincial and divided heads according to the Budget of 1886-87; the total estimates of revenue and expenditure now

The Future Provincial Contract with Assam.

Conclusion.

adopted under the same heads; and the Provincial share of each, both according to the system now in force, and also under the system prescribed for the future Contract in the Government of India's letter No. 2187, dated July 26th, 1886, Department of Finance and Commerce.

76. Columns 3 of these Statements show that the estimated Provincial revenue of 1886-87 was 47,26; the estimated Provincial expenditure 50,38; that is to say, the Provincial Budget exhibited a deficit of 3,12, to be made good by a corresponding reduction of the Provincial balance. The reduction in the original is 5,12, as it includes the 2,00 specially contributed in 1886-87 from Provincial to Imperial.

77. Columns 4 and 5 of Statements A and B show our calculations of the probable future revenue and expenditure, as follows:—

	Total.	Provincial share as at present.
	Rs	Rs
Revenue	81,37	48,20
Expenditure	49,46	46,34
SURPLUS	31,91	1,86

78. There is thus a Provincial surplus of 1,86, which may be resumed by the Imperial Government. With some trifling exceptions, the whole of the decreases of expenditure which lead to this result are under the head of Public Works (48 under Railways—Capital and 3,83 under Civil Works, including contributions to Local). On the other hand, there are increases of 22 under Police, and of 29 under Marine. The increase of revenue is almost entirely under the head of Land Revenue.

79. The last columns of the two Statements exhibit the Provincial revenue and expenditure calculated on the system which has been prescribed for the future Contract, as follows:—

Revenue	Rs28,80
Expenditure	„ 46,66

80. The deficit of 17,86 which will thus exist will have to be met by a contribution from Imperial to Provincial, to be adjusted either through the Land Revenue head or in some other way. On whatever basis the revenue and expenditure are divided under the new Contract, the result will be the same, namely, that, as compared with the present Contract, there will be a benefit to Imperial of 1,86, if the finances of the Provincial Government are left in a state of equilibrium, as it is intended they should be.

81. It is obvious that the recent orders, under which the Provincial share of increase in Land Revenue and Excise is only one quarter, severely affect so small a Province as Assam. These are the chief sources of improvement in Revenue, and careful management can do so much to enhance the outturn in these Departments, that it seems to us unwise to destroy the stimulus of self-interest by giving the Province a share in their growth which hardly amounts to an appreciable sum. We recommend that in the case of Assam, if not elsewhere, the Government of India should reconsider the orders it has issued on this subject.

CALCUTTA,

The 19th November 1886.

The Future Provincial Contract with Assam.

A.—STATEMENT OF REVENUE.

.....	BUDGET ESTIMATE OF 1896-97.		ESTIMATE NOW ADOPTED.		
	Total.	Provincial share.	Total.	Provincial share as at present.	Provincial share as proposed.
1	2	3	4	5	6
	R	R	R	R	R
Civil Heads.					
Land Revenue	41,38	26,08	42,30	26,66	(a)10,58
Stamps	7,89	3,04	7,69	3,94	5,92
Excise	22,30	11,15	22,30	11,15	5,53
Assessed Taxes	1,80	...	1,80	...	90
Forests	2,25	1,13	2,10	1,05	1,05
Registration	33	17	33	17	17
TOTAL REVENUE HEADS	75,95	42,47	76,72	42,97	24,20
Interest	6	1	6	1	1
Law and Justice, Courts	74	74	74	74	74
Ditto, Jails	86	86	86	86	86
Police	1,16	1,16	1,16	1,16	1,16
Marine	4	4	4	4	4
Education	39	39	39	39	39
Medical	1	1	1	1	1
Scientific Departments (Provincial)	1	1	1	1	1
TOTAL CIVIL DEPARTMENTS	3,21	3,21	3,21	3,21	3,21
Superannuations (Provincial)	3	3	3	3	3
Stationery	4	4	4	4	4
Miscellaneous (Provincial)	25	25	25	25	25
TOTAL MISCELLANEOUS	32	32	32	32	32
Total Civil Heads	79,54	46,01	80,31	46,51	27,74
Public Works.					
Railways, Revenue Account	86	86	1,00	1,00	1,00
Civil Works	6	6	6	6	6
Total Public Works	92	92	1,06	1,06	1,06
TOTAL REVENUES	80,46	46,93	81,37	47,57	28,80
Adjustments—					
Transfers of Expenditure . . . . .	...	63	...	63	...
Inter-provincial Adjustments . . . . .	...	—30	...	...	...
TOTAL RESOURCES	80,46	47,26	81,37	48,20	28,80

(a) The Government of India letter No. 2187, dated 26th July 1886, proposes the assignment of a fixed sum plus a quarter of the increase. We adopt in this statement the somewhat more convenient but equivalent course of assigning one quarter of the whole, plus or minus a fixed sum.

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B.—STATEMENT OF EXPENDITURE.

.....	BUDGET ESTIMATE OF 1886-87.		ESTIMATE NOW ADOPTED.		
	Total.	Provincial share.	Total.	Provincial share as at present.	Provincial share as proposed.
1	2	3	4	5	6
	R	R	R	R	R
Civil Heads.					
Refunds—					
Land Revenue	15	9	7	4	2
Divided Heads	10	5	9	5	5
Provincial Rates	1	1	...	...	...
Land Revenue—					
Collectors, and collection charges	7,94	6,98	7,94	6,98	7,94
Survey and Settlement	1,98	1,25	1,89	1,19	47
Other charges	1	1	1	1	1
Stamps	36	18	36	18	27
Excise	8	4	8	4	2
Assessed Taxes	5	...	5	...	3
Forests	2,05	1,03	2,00	1,00	1,00
Registration	23	11	23	11	11
TOTAL REVENUE HEADS	12,96	9,75	12,72	9,60	9,92
Administration (excluding Account Office)	1,96	1,96	1,95	1,95	1,95
Law and Justice, Courts	5,51	5,54	5,54	5,54	5,54
Ditto, Jails	1,30	1,30	1,14	1,14	1,14
Police	9,74	9,74	9,95	9,95	9,95
Marine	46	46	75	75	75
Education	1,88	1,88	1,83	1,88	1,88
Medical	1,45	1,45	1,40	1,40	1,40
Scientific Departments	27	27	26	26	26
TOTAL CIVIL DEPARTMENTS	22,60	22,60	22,87	22,87	22,87
Superannuations	60	60	60	60	60
Stationery	68	68	68	68	68
Miscellaneous	19	19	19	19	19
TOTAL MISCELLANEOUS	1,47	1,47	1,47	1,47	1,47
Post Office	1	1	1	1	1
Total Civil Heads	37,04	33,83	37,07	33,95	34,27
Public Works.					
Railways—Capital	48	48	...	...	...
Working	85	85	1,00	1,00	1,00
Subsidy, &c.	1,05	1,05	1,05	1,05	1,05
Civil Works (including grants to Local Boards)	14,17	14,17	10,34	10,34	10,34
Total Public Works	16,55	16,55	12,39	12,39	12,39
GRAND TOTAL EXPENDITURE	53,59	50,38	49,46	46,34	46,66

The Future Provincial Contract with Lower Burma.

Preliminary.

CHAPTER X.

THE FUTURE PROVINCIAL CONTRACT WITH LOWER BURMA.

[Figures printed thus,—2,08—without designation, mean thousands of rupees.]

PRELIMINARY.

Appendix No. VIII annexed to this Volume shows in detail the working of the Burma Contract of 1882. It is convenient for us here to give a brief account of its history, showing the actual figures of receipts and expenditure, as contrasted with the expectations under which the Contract was framed, and to explain how the Contract stood after the cancellation of the provision by which the Provincial share of the Land Revenue was to decrease every year.

2. The figures shown in Appendix No. VIII may be thus divided:—

Statement of Provincial Revenue and Expenditure in Lower Burma from 1882-83 to 1886-87.

	REVENUE.						EXPENDITURE.				
	Special grants.	CIVIL.		PUBLIC WORKS.		TOTAL.	Civil.	PUBLIC WORKS.			TOTAL.
		Principal Revenue Heads.	Other Departments.	Ordinary.	Railways, &c., Net.			Ordinary.	Interest on Railway, &c., Capital.	Capital expenditure.	
1	2	3	4	5	6	7	8	9	10	11	12
	R	R	R	R	R	R	R	R ^(a)	R	R	R ^(a)
Average Assignment	..	86,62	8,95	1,10	2,97	99,64	67,99	26,06	5,59	...	99,64
1882-83 . . .	..	88,52	7,99	57	—2,72	94,36	75,19	31,20	6,90	...	1,13,29
1883-84 . . .	4,17	94,61	6,63	49	+1,10	1,07,00	76,47	29,19	8,53	...	1,14,19
1884-85 . . .	6,66	81,58	6,94	69	+1,73	97,60	76,17	20,25	9,92	23	1,06,57
1885-86 (Revised) .	2,30	84,55	7,73	48	+3,23	98,29	74,04	13,53	10,72	...	98,29
1886-87 (Budget) .	...	85,20	7,65	46	+5,71	99,02	75,99	12,09	10,93	...	99,01
TOTAL FIVE YEARS.	13,13	4,34,46	36,94	2,69	9,05	4,96,27	3,77,86	1,06,26	47,00	23	5,31,35
Five times average Assignment . .	...	4,33,10	44,75	5,50	14,85	4,98,20	3,69,95	1,30,30	27,95	...	4,93,20

N.B.—The manner in which these figures have been compiled is fully explained in paragraph 10 of Chapter II, page 14.

(a) These figures have been reduced, so as to make the assignment (which assumed that the existing deficit would be met by decreased expenditure) work out to equilibrium.

3. The revenue under the Civil heads was slightly in excess of the standard of the assignment, but the decrease of revenue under the Public Works head swallowed up the increases, and left no margin available for increase of expenditure. On the other hand, the expenditure, as assumed for the purposes of the Contract, was nearly 7½ lakhs ahead of the revenue, and in the first year of the Contract an addition of 11 lakhs was made to it. Of this, 4½ lakhs was under Public Works (an outlay to which the Local Government

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was, no doubt, tempted by the large balances in hand) and 6½ under Civil heads, the chief of which were as follow :—

	Assignment of		
	1881-82. R	1882-83. R	Increase R
Law and Justice	15,19	15,79	+60
Police	16,97	18,96	+1,99
Marine	3,16	4,04	+88
Scientific and Minor Departments	49	2,73	+2,24
Superannuations	1,44	2,24	+80
	TOTAL	.	6,51

The expenditure under Civil heads, except in the case of Police, has hardly grown since 1882-83, and that on Public Works has decreased by more than 50 per cent.; but it was not till 1885-86 that the Province, even with the assistance of special grants, could re-adjust itself to the changed conditions, and equilibrium could be attained.

4. Now the Contract was expressly founded upon the expectation of a large

Anticipated increase of revenue increase of revenue, no less than 10½ lakhs of not realised. rupees a year. Such an increase there had been in the years preceding 1882, and the modification made in that year in the former Contract was a resumption, in favour of the Supreme Government, of part of the anticipated increase, on the ground that what still remained to the Provincial Government was quite sufficient for its future development. The Contract provided a deficit upon the initial account which it was estimated would be met during the first year or two by accumulated balances, which were raised to 35 lakhs of rupees, and by increasing revenues afterwards.

5. The revenue however, as just shown, failed to justify these expectations

The Provincial finances in a chronic state of deficit. and remained stationary, and the consequence was that when after two years the expenditure, with the increase it received in the first year, had exhausted the accumulated funds, there were no means of providing for the deficit in the third and fourth years. The position of the Province now was that its assigned revenue, which was admittedly insufficient at first, but which it was anticipated would very soon become sufficient, failed to overtake its assigned expenditure, as it was expected to do; and even a reduced standard of expenditure could not be maintained without extraneous assistance. The position was aggravated by the effect upon the Province of its obligations as regards railways. These were estimated in the Contract at a net revenue of 81, but as railway construction was going on at a rapid pace, and the Province had to bear the full interest charge upon a large amount of unremunerative capital, representing mileage not yet open, the increase in the interest charges more than swallowed up the increase of earnings on the open lines; and the whole account shows, instead of an average net revenue of 81, an average net loss of 2,47 a year (besides a small amount, 23, of capital expenditure on surveys charged in one year to revenue).

6. Accordingly, the position was reviewed after two years had passed; all

Special grants from Imperial funds. increase of civil expenditure was stopped; and the Public Works grants were reduced as far as possible. The Imperial Government had to aid the Province with the special grants shown in the second column of the statement in paragraph 2 above.

7. In 1885-86 the Revised Estimate showed that a special grant would be

Further grants necessary. required of about 2,30. In 1886-87, if the Budget Estimate of Revenue can be realised, no such grant will be necessary, but the balance will be left at practically *nil*.

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8. The Chief Commissioner has prepared for our assistance a paper, stating

The views of the Chief Commissioner. Anticipated increase of Railway revenue and of Police expenditure. Proposed prolongation of current Contract.

his general view of Provincial finance. It gives general explanations of the measure of the growth of revenue, and of the manner in which the expenditure has, during the past five years, been increasing. It is not sufficiently detailed for our purposes, but it has been of assistance to us in explaining the facts, which our more detailed examination of the accounts brings out. Its main purport is that the finances of the Province are now in equilibrium (supposing the Budget expectations of the year to be realised); that next year the Railway revenue will improve by $2\frac{1}{2}$ lakhs, but that the Police expenditure will increase by $4\frac{1}{2}$ lakhs, leaving a deficit of 2 lakhs; that the revenues of the Province are increasing at the rate of 3 lakhs a year, of which under existing arrangements one-third accrues to Provincial; and thus that the deficit will be reduced to one lakh in 1887-88, and will be effaced in 1888-89. The Chief Commissioner therefore proposes that the present Contract be continued provisionally for two years.

9. We are quite in accord with the Chief Commissioner in considering that

Review of the conditions of the Contract necessary;

the arrangement at present made should be made for two years only, but as we do not think his anticipations of increasing Revenue (other than those under State Railways) can be absolutely relied on, and as in any case our instructions are to place the Province in equilibrium on the 1st April 1887, not to start it with an initial deficit of a lakh of rupees, we think that a new arrangement of some kind is necessary, and that whatever amount of change it may be considered advisable to import into the conditions of the old Contract, it will be necessary to have a new starting point, based on a careful review of the existing revenue and expenditure. It will be found that the conclusion

and the assignment to the Province of a moderate working balance advisable.

which we reach is that under the existing system of assignment the revenue will exceed the estimated expenditure by 1,05. The general rule which we have adopted in framing the Provincial Contracts is to bring the Provincial Budgets to a state of initial equilibrium, without reference to the balances which will stand to credit at the beginning of 1887-88, the benefit of which is left to the Local Governments. As, however, Burma has absolutely no working balance and the want of a reserve of this kind may very probably seriously cripple the Administration, we think that the Province should be started with a balance of two or three lakhs.

10. This calculation of a surplus of 1,05 is based on the assumption that

Estimates now framed make no allowance for increased Police expenditure.

the rate of expenditure continues unchanged. It does not allow for the probable increase in the cost of the Police, for which, if it is sanctioned, special provision must be made. That increase is estimated at $4\frac{1}{2}$ lakhs, but some part of the increase appears to have been provided for in the Estimate of 1886-87.

11. The Chief Commissioner has not expressly given any opinion upon the

The application to the Province of the new system of distribution of certain heads of revenue and expenditure considered.

question whether the Contract might be modified, in respect of the distribution of the various heads of revenue and expenditure, so as to accord with the orders of the Government of India in their letter No. 2187, dated 26th July 1886, but he has expressed a wish that the whole of the increase in Provincial Revenue may be left to the Province; or, if not, that the existing ratio in which certain heads are divided, and under which the Province gets about a third of the growth of the land revenue, may be allowed to

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remain unaltered. It is for the Government of India to say how far they can, under the peculiar conditions of the Province, accede to this request. The orders in the letter above quoted would involve, in the case of Burma, a withdrawal of the shares of the Salt duty and of the export duty on rice, which are at present included in the Provincial revenues. We do not know if there are special reasons for this arrangement in Burma, but if there are not, then one reason for the assimilation of the Burma conditions to those of other Provinces will be found in the fact that these receipts are somewhat irregular in their incidence as reckoned by the financial year; and that in this way they are unsuited to the case of a Province, which, at present at least, has a difficult task before it in making both ends of its Provincial account meet.

12. We proceed to examine the various heads of revenue and expenditure, with a view to estimating the amount at which each should be taken in fixing the assignment for the future. And we have to note generally that when we repeat the Budget figures of 1886-87 as our estimates for the future, it should be always understood that they are subject to such modification as the Revised estimates of the year may show to be necessary.

13. The revenue and expenditure of Upper Burma are entirely excluded from our figures and estimates.

The finances of Upper Burma excluded from consideration.

LAND REVENUE.

14. *Revenue.*—The figures of the successive financial years give very unequal totals, but if we re-arrange the same figures so as to give the receipts of revenue from August 1st to July 31st we shall at once produce intelligible results as follows:—

	1880-81.	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.
April till July . . .	13,91	29,68	29,69	33,85	15,43	14,79	25,17
August till March . .	76,00	75,55	76,10	96,96	98,69	90,25	
Financial year . . .	89,91	1,05,23	1,05,79	1,30,81	1,14,12	1,05,04	
Revenue year . . .	1,05,68	1,05,24	1,09,95	1,12,39	1,13,48	1,15,42	

It is evident from this that the yearly revenue has reached a standard of 1,15,42, and that this amount may at present be expected to come in, on the average, every twelve months.

15. This amount includes eleven lakhs on account of fisheries, which are wholly Provincial. The actuals of 1883-84 and 1884-85 were 11,25 and 11,12; the Revised Estimate of 1885-86 was 10,50; and the Budget Estimate of 1886-87 is 11,00.

16. We may therefore take as the existing standard of Land Revenue, 1,04,42 divisible, and 11,00 Provincial.

17. *Expenditure.*—The expenditure under the head of Collectors and establishments has risen from 5,62 in 1880-81 and 5,55 in 1881-82, to 7,52 in 1885-86 and 7,52 Budget of 1886-87. The principal items of increase are—

(1) Extra Assistant Commissioners from ninety costing 1,72 (average under R2,000 per annum) to one hundred and forty-one, costing 4,23 (average R3,000 per annum). —

Extra Assistant Commissioners.

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This increase in number is to a certain extent balanced by the reduction of the following officers, who were included among the Extra Assistants, and lost their specific titles: eleven Extra Moonsiffs, twelve Akunwoons, two Assistant Translators. Seven also were made up for by a reduction of Assistant Commissioners. This leaves a real increase of nineteen, of whom three are for new appointments in the "Supplementary Survey;" two for the new Pegu district; and six for six new Townships. General increase of work accounts for the remaining eight. The pay of this class was greatly improved in 1884, the lowest grade being raised from R100 to R150, and the highest from R600 to R800. Of appointments over R250 there were, on the old scale, only twelve, whereas the number on the new scale, as at first introduced, was thirty-five; and some increases have been made since.

(2) Similar increases have been made in the rates of pay of lower grades Subordinate establishments. also. For example, we have—

	1880-81.	1886-87.
Chief office establishment	210 on an average of R507 a year.	281 on an average of R636 a year.
Tahsildari establishment	289 on an average of R188 a year.	319 on an average of R232 a year.

The Chief Commissioner gives us a long list of changes and increases of establishments contributing to this result. We are not in a position to judge of their necessity, but there seems to have been, in Burma, a general consensus of opinion that the scale of pay was too low; and both considerable increases were given and new establishments of special classes were organised, *e.g.*, Treasury Establishments, Record-room Establishments, and others.

(3) Contingent expenditure and travelling allowances also show very considerable increases, the former from R36,500 to R57,000, the latter from R22,600 to R45,000. Contingent and travelling expenses. The latter is due to increase in the rates allowed by the Code, to increase in the number of officers, and to orders enforcing more travelling. Of the former only general explanations are given; but, as we find that officers spent in 1883-84 and 1884-85 R39,252 and R56,473, against Budget Estimates of only R34,000 and R40,000, there would appear to be some deficiency in control. The explanation given us is that it is "possibly connected with" excess expenditure on "Contract contingencies, which are not subject to audit." But, as the whole object of the contract system is that the expenditure should be subjected to limit, the applicability of this explanation is not clear.

18. It would certainly appear from these considerations that increase in the Budget of 1886-87 should not be exceeded. pay and allowances charged under this head ought to cease for a time, and it would apparently be possible to be more economical under the head of contingent expenditure.

19. We take for the estimate of expenditure the Budget figure of 1886-87.

20. The first charge under the head of Survey and Settlement is the Settlement Secretary, who, with his establishment, is estimated to cost R47,000, though the figures supplied by the Chief Commissioner amount only to R40,000. In 1880-81 the establishment of this officer was only three clerks, but since then he has practically become one of the ordinary Secretariat staff, having the charge of a certain number of subjects, and his establishment has been increased to

The Future Provincial Contract with Lower Burma.

Land Revenue.

thirteen. As Settlement operations have recently been considerably reduced, the work of the office has of late diminished, and the Chief Commissioner offers, if necessary, to give up the Secretary altogether, although, he states, he will be necessary again, as soon as Upper Burma is brought under settled rule. He would, however, prefer to retain him and to reduce the establishment to where it stood in 1880-81, when it cost 3, against 23 now, including contingencies. We would prefer to adopt the latter proposal, as there can be no doubt that the Chief Commissioner's Secretariat, if for the moment not fully worked, will very soon be so; and an experienced officer cannot be spared at the present juncture. The charge will thus amount to 20.

21. The remaining expenditure upon Survey and Settlement during the last two or three years has been as follows :—

	1883-84.	1884-85.	1885-86.	1886-87. Budget.	Committee's Estimate.
Settlement Establishments . . .	2,45	2,76	2,05	2,18	1,30
Survey of India Parties . . .	5,80	4,57	2,56	1,88	1,90
Ditto for Forest Survey . . .	48	54	59	63	63
Cadastral Maps	37	48	31	15	15

22. The expenditure has been continually diminishing, and only one Survey Party is now employed, which is to complete Akyab and then go on to Bassein. The Chief Commissioner estimates the future expenditure at 1,90, which, it will be seen, is nearly the same as the Budget for 1886-87.

23. The cost of Settlement, the Chief Commissioner says, will be 50 a year. The figure shown in the first line of the above table includes, besides the Survey proper, what is known in Burma as the "Supplementary Survey,"—that is, the establishment employed in the maintenance of the Survey Record, which in 1885-86 cost about 80 out of the 2,05 then stated. Allowing, therefore, the Chief Commissioner's estimate, we have for the expenditure under this head 50 for Settlement and 80 for "Supplementary Survey."

24. The third item in the above list represents one-half of the cost of a topographical Survey Party which is combining, with its topographical work, the survey of forests. We are not informed how long this forest survey work is expected to last, but, in the absence of information, we take it as part of the expenditure to be included in the Contract.

25. The charge under the head of Commission on Collections is mostly on account of commission paid to Thoogyees, of 10 per cent. on all collections up to R6,000 and of 5 per cent. on all in excess. The Thoogyees have to pay all writers, measurers, and assistants, there being no Tahsildars in Burma for the collection of revenue. The whole charge comes to 6 per cent. of the Land Revenue and 9 per cent. of the Capitation Tax; and the total charge, after increasing to over 7½ lakhs in 1883-84 and 1884-85, is now slightly decreasing, owing to decrease in the number of Thoogyees. Commission is also paid on some of the Fishery collections. The rate varies from 3 to 10 per cent. The amount was 6 in 1884-85, 8 in 1885-86, and is estimated at 9 for 1886-87. These charges are wholly Provincial.

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Salt. Stamps. Excise.

SALT.

26. *Revenue*.—A share of nearly one-third of the Salt Revenue is Provincial in Burma. The figures of this revenue are as follow :—

Provincial Share.	1882-83.	1883-84.	1891-85.	1895-86.	1896-87, Budget.
Local Manufacture . . .	35	29	34	35	35
Seaborne Salt . . .	1,29	1,78	2,31	1,59	2,25
TOTAL . . .	1,64	2,07	2,65	1,94	2,60
Provincial Share . . .	54	68	87	63	55

27. The irregularity of these figures is partially explained by the fact that about 24 more than usual was collected on salt imported in February and March of 1884-85; thus diminishing the demand of the next year. Transferring this 24, we get the figures 1,65; 2,07; 2,41; 2,18; 2,61;—a somewhat closer approach to regularity. The excess in the Budget is due to the levy of full duty upon salt imported for Upper Burma. In framing the Contract, we have assumed the continuance of the existing system of division of Customs revenue between Imperial and Provincial.

28. *Expenditure*.—The expenditure charged to Salt consists of only about R3,000 of commission.

STAMPS.

29. *Revenue*.—The revenue under Stamps steadily increased during the five years ending 1884-85, the yearly figures being 7,85; 8,22; 8,26; 8,94; 9,80. This last figure seems to have been exceptional, as the revenue fell to 9,38 in 1885-86. The estimate for 1886-87 (excluding 1,00 for Upper Burma) is 10,00, but so far the collections have fallen behind those of 1885-86, and it would not be safe to take a higher figure than that of that year, or 9,38.

30. *Expenditure*.—In the three years ending 1885-86 the charges were 22, 22 and 23. The estimate for 1886-87 is 24, besides 10 for Upper Burma. The charges are composed of (1) the value of the paper, (2) Discount and Commission, (3) a small salary charge. Discount is given at very high rates upon stamps of low value, namely, 5 per cent. at head-quarter stations and 10 per cent. elsewhere (the rates are 4 per cent. and 8 per cent. when the vendor gets the stamps on credit) upon General stamps, not exceeding R5 each; and 2 per cent. on Court-fee stamps. The usual rates are 3 and 5 per cent. on General stamps, and from 1 to 1½ per cent. on Court-fee stamps. A salaried officer on R100 is allowed for Rangoon, whose duties are to take charge of the local stamp accounts and transactions, to sell to the public, and to issue to Postal and Telegraph Officers.

EXCISE.

31. *Revenue*.—Till last year the Excise revenue had for years been between 22,40 and 22,60; but in 1885-86 there was a sudden drop to 21,01. The causes of this are stated to be the disturbances in the country, the prosecutions of opium offenders, and the enforcement of the bad-livelihood clauses of the Criminal Procedure Code. The revenue may therefore recover itself, though it is doubtful if the estimates of 1886-87, namely, 22,29 (besides 1,00 for Upper Burma), will be realised.

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Customs.

The figures include about 13 of "Local" Revenue, so that 22,16 is the estimate of Imperial and Provincial combined.

32. *Expenditure*.—The expenditure upon Excise was in 1883-84 R14,056 and in 1884-85 R18,433, being chiefly, it would appear, for out-door establishments in Rangoon and Moulmein; but in March 1885 a Commissioner of Excise, Stamps, and Registration was appointed, who, with his establishment,

Recent employment of additional costs about R20,000. An Excise detective establishment, costing R10,320, was also employed in 1885,

in the districts of Pegu, Hanthawaddy, Tharawaddy and Prome, to cope with the smuggling and illicit distilling which is said to be notorious in Burma, the regular police having completely broken down. Thus, the cost is brought up to R42,650 in 1885-86, and is estimated at R52,000 (besides 5 for Upper Burma) in 1886-87. It is impossible to say what would have been the effect on the revenue of these measures, had the country been in a normal state; but, as a matter of fact, the revenue has been falling off, as just remarked, and it is certainly too soon to pronounce upon the subject. The Chief Commissioner has offered to give up the Commissioner of Excise in order to be able to introduce certain improvements in Police. But we maintain the estimate of R52,000 until some determination is arrived at.

CUSTOMS.

33. *Revenue*.—The end of the official year falls in the middle of the Burma export season, and the Customs revenue of each financial year is largely affected by the mere question of the earliness or lateness of the rice being brought forward. We will therefore estimate the revenue by setting forth actual receipts by the calendar year:—

	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.
April to December	37,27	28,81	22,78	31,17	28,00 (a)
January to March	27,18	24,28	20,88	26,32	...
Official year	64,45	53,09	43,66	57,49	...
Calendar year	...	55,99	47,06	52,05	51,32

34. The average of these four seasons is 52,35, which may be taken as a fair measure of the probable income. Under the system at present in force, the continuance of which the Chief Commissioner desires, it would be thus distributed—

Import duties (Imperial)	8,31 in 1882-83, 8,28 in 1883-84, } ...	7,50
7,75 in 1884-85, 7,18 in 1885-86		
Wharf rents and Miscellaneous (Provincial)	...	24
Balance being Export duties, Provincial	14,65	
Imperial	29,96	
		41,61
		52,35

that is, Imperial 37,46, Provincial 14,89; compared with which the Budget for 1886-87 (excluding 25 for Upper Burma) shows 37,60 Imperial and 15,40 Provincial.

Comparison with the Budget of 1886-87. If, however, the Government of India determine to class the whole of the export as well as the import duties as Imperial, for the reason given in their letter of July 26th, 1886, namely, on account of the great variation of the export duties from year to year, the only Provincial Customs revenue will be 24, Wharf rents and Miscellaneous. In framing the Contract we have, for the present, assumed the continuance of the existing system of assignment.

(a) Estimated for October, November, and December.

The Future Provincial Contract with Lower Burma.

Customs.

35. *Expenditure.*—The figures are as follows:—

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86, Revised.	1886-87, Budget.	Com- mittee's Estimate.
Salaries	43·7	38·4	30·8	32·2	29·3	32·4	32·4
Establishments	2,04·1	1,45·9	1,32·1	1,29·4	1,35·8	1,33·0	1,27·0
Contingencies	10·7	9·9	8·4	8·2	6·9	6·6	6·6
Customs confiscation charges	·7	1·6	·6	·3	1·0	1·0	1·0
TOTAL	2,59·2	1,95·8	1,71·9	1,70·1	1,73·0	1,73·0	1,67·0

36. Considerable reductions were made in 1882, after the abolition of the major part of the Customs duties. Since then there has been but little fluctuation.

Reductions in 1882.

37. About four-sevenths of the whole expenditure are at the chief port, Rangoon, the establishment of which consists of 100 hands, as shown in the margin.

The Collector is not only in charge

	Salaries.	Per annum, R
1 Collector		18,000
1 Assistant Collector		7,200
	<i>Establishment.</i>	
1 Appraiser		4,440
17 Clerks		26,766
10 Servants		1,183
9 Bonding Establishment		3,084
	<i>Preventive Establishment.</i>	
3 Inspectors		8,400
19 Preventive Officers		21,440
39 Servants, &c.		6,192
Temporary hands		2,000
Contingencies		3,490
100		1,02,200

of the port of Rangoon, but is also Chief Collector of Customs for the Province, and has to visit and inspect the subordinate Custom Houses and to prepare and submit all the Trade Returns of the Province. He is also Vice-Chairman of the Rangoon Port Commissioners, for which office he draws the pay of R300, besides fees to an amount not stated. The actual cost of the Appraiser was R1,665 in 1884-85. The papers before us afford no explanation of the increase to R4,440; nor do they give the reason of an increase,

since 1885-86, of the number of Preventive officers from 14 to 19 and of their cost from R17,000 (actuals of 1884-85) to R21,440. No details have reached us of the Bonding Establishment. The pay of the clerks averages R131 per man per mensem; that of the Preventive Inspectors R233; and that of the Preventive Officers R94.

38. Akyab, Bassein, and Moulmein are the more important of the subordinate ports. The establishments, &c., of each are shown below:—

	AKYAB.		BASSEIN.		MOULMEIN.	
	No.	Cost per annum.	No.	Cost per annum.	No.	Cost per annum.
		R		R		R
<i>Salaries.</i>						
Collector	1	2,400	1	2,400	1	2,400
<i>Establishment.</i>						
Appraiser	1	3,600	1	2,400	...	...
Clerks	3	2,880	1	1,200	5	6,360
Servants	6	720	3	312	7	948
<i>Preventive Establishments.</i>						
Superintendent	1	2,400	1	2,400	1	3,000
Inspector	1	1,800	...	...	1	1,800
Preventive Officers	2	2,640	3	3,660	3	3,120
Boat, &c., Establishment	24	3,528	5	768	24	3,576
Temporary	944	720
<i>Contingencies</i>	1,088	...	260	...	1,076
TOTAL	39	22,000	15	13,400	42	23,000

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Customs.

39. The entries as to the Collectors are somewhat misleading. In all three ports the appointments of Collector of Customs and of Port Officer are amalgamated on the pay of Rs500 rising to Rs800. The rates actually drawn, according to the Civil List for July 1886, are Rs500, Rs500, and Rs680 respectively.

The Collectors.

40. The Appraisers at Akyab and Bassein are the Head Clerks of the respective Customs offices. The fact of their pay equalling, or exceeding, the portion of the pay of the Collector which is charged to Customs is explained by the statement that the rates were fixed many years ago, when there were Collectors without other duties, who drew much higher rates of pay in their capacity of Collectors only. The high pay of the Moulmein Preventive Superintendent is similarly explained. Reckoning the Appraisers as Clerks, the average pay of the Clerks in the three ports is Rs135, Rs150, and Rs106 per man per mensem, respectively. The pay of the Preventive Officers comes to Rs110, Rs102, and Rs87, respectively, per man per mensem. At Akyab there are a Preventive Superintendent on Rs200 and a Preventive Inspector on Rs150 to supervise a force of two Preventive officers only.

The Appraisers and other officers.

41. The total annual cost of each of the minor ports is shown in the margin. The establishments are paid at much more moderate rates than those of the larger ports. At the four former places, the Deputy Commissioners of the respective districts discharge the duties of Customs Collectors. We assume that the Customs establishments at Thayetmyo and Tounghoo are now no longer required, and on this account take credit in framing the Provincial Contract for a reduction of 6. We are unable to suggest any further economies at these minor ports.

Annual cost of the minor ports.

	R
Tavoy	2,000
Mergui	2,400
Kyauk Phyo	740
Sandoway	320
Thayetmyo	5,400
Tounghoo	500

The Thayetmyo and Tounghoo establishments to be abolished.

42. As respects the larger ports, it appears to us that some saving may be effected by a revision of salaries. No doubt, higher rates of pay must be given on account of the greater cost of living in Burma than in other Provinces; but the Burmese Customs establishments need not be more highly paid than officers of similar position employed in other Departments, and we suggest that the Customs clerks need not in all cases draw higher pay than the Preventive officers, whose temptations and opportunities are greater, and whose duties are far more important and responsible.

Revision of salaries at the larger ports recommended.

43. The total emoluments of the Rangoon Customs Collector amount to Rs1,800 per mensem, besides fees to an amount not stated. As, however, the pay of a first grade Deputy Commissioner is only Rs1,833, Rs1,800 appear to us too high a salary for the Customs Collector. We suggest that Rs800 per mensem, the pay of a first grade Assistant Commissioner, would be sufficient remuneration for the duties of the office, independently of the income derived by the incumbent from his additional duties in connection with the Port Commission. The Chief Commissioner might be asked whether any suitable provision can be made for the present incumbent.

The Rangoon Customs Collector. Reduction of pay recommended.

44. In one of the questions which we addressed to the Provincial Government we drew attention to the high average rates of pay of clerks. (a) at which the Customs clerks are paid, as compared with the Secretariat clerks, whose duties are altogether of a higher class, but who receive on the average only Rs117 per man per mensem; and we

	R
(a) Rangoon	131
Akyab	135
Bassein	150
Moulmein	106

The Future Provincial Contract with Lower Burma.

Assessed Taxes. Forests.

requested the favour of an explanation. The reply which we have received is as follows :—

“The salaries of the Customs clerks are not, in the Chief Commissioner’s opinion, excessive, and the Chief Collector reports that he finds it difficult to get good men to fill vacancies as they occur, and has, as a rule, to accept very young men and train them up to their duties.”

45. We hardly think that this answer sufficiently disposes of the question, as the declared policy of Government in all Departments is to accept young men and to train them up to their duties. We are still of opinion that the salaries should be reduced.

46. The marginal statement compares the cost, per lakh of trade, of the establishments of the more important subordinate ports in Burma with that of some of those of the same class on the coast of India. In their reply to one of our questions the Local Government has compared the trade of Rangoon with that of the other principal Indian ports. We have carried the comparison farther, and find that the trade and the cost of the Customs establishments per lakh of trade are as follows in the ports in question :—

	Trade (in lakhs).	Cost per lakh of trade. R
Akyab . . .	133	148
Bassein . . .	107	121
Moulmein . . .	215	99
Cocconda . . .	174	18
Negapatam . . .	104	21
Tuticorin . . .	156	14
Calicut . . .	103	43
Tellicherry . . .	113	24

	Trade (in lakhs).	Cost per lakh of trade. R
Rangoon	10,97	93
Calcutta	61,26	74
Bombay	71,27	39
Madras	9,52	66

47. We think that these figures indicate discrepancies in expenditure, which deserve a closer examination than we are able to make of the subject, and we suggest that it would be advisable for the Government of India to depute an experienced officer to conduct an enquiry and see whether any equalisation is possible by lowering the charges of the more expensive ports.

48. We have no information as to the nature or necessity of the expenditure on Customs confiscation charges, but the amount is small and may be admitted.

49. Deducting 6 (*vide* paragraph 41) we estimate the future expenditure under Customs at 1,67.

ASSESSED TAXES.

50. The operation of the Income Tax Act is for the present suspended in Burma.

FORESTS.

51. The Forest operations in Burma are divided into two Circles—the Pegu Circle and the Tenasserim Circle.

52. The following are the particulars of these two respectively :—

Pegu Circle.

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.
Revenue	13,30	16,26	18,51	12,71	15,55	13,75
Expenditure A	6,00	6,60	6,12	7,17	6,46	6,60
„ B	1,59	1,78	1,91	1,87	1,86	2,15
Net Revenue	5,71	7,88	10,48	3,67	7,23	5,00

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Registration.

Tenasserim Circle.

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87. Budget.
Revenue	9,02	8,77	6,58	4,00	4,19	4,25
Expenditure A	3,08	3,14	3,27	2,23	2,29	2,15
" B	82	77	87	85	89	1,00
Net Revenue	5,12	4,86	2,44	92	1,01	1,10

53. The export of teak forms by far the largest share of the work in the

Operations in the Pegu Circle.

Pegu Circle. It is removed mostly by Departmental operations, arranged for through contractors, who

bring the timber down the streams and are paid so much per log. Most of the Departmental timber is brought down to a Departmental agency in Rangoon, which has charge of the sales. A good deal of timber is also purchased on the spot and removed from the forests by purchasers. The expenditure is increasing only with the extent of the operations.

54. The great falling off in revenue in 1884-85 was due to a very great

Decrease of revenue in 1884-85.

fall of price, which resulted in the Department keeping back a large portion of the stock it held

ready for export.

55. Between $2\frac{1}{2}$ and 3 lakhs of revenue were lost in the Tenasserim Circle

Tenasserim Circle.
Reduction of the duty on foreign timber.

by the reduction from 7 to 1 per cent. of the duty on foreign timber, which was brought into effect

at the end of 1881-82. This timber for the most part passes through the Circle, coming down the Salwin river. The figures of 1882-83 would have shown the immediate effect of the reduction, were it not that the Departmental operations in timber were in that year especially high; they now produce the greater part of the revenue. It seems open to doubt whether, as circumstances now stand, any one but the Foreign Government (Siam) benefits by the reduction of the duty.

56. Both the revenue and the corresponding expenditure of the Govern-

Revenue and Expenditure de-
creasing.

ment timber operations are falling, and the effect of the recent fall of price, alluded to in the remarks

on the Pegu Circle, is noticeable also in this Circle.

57. The Budget Estimate under the Pegu Circle seems to be based on a

Future Estimates.

somewhat cautious view of the prospects of revenue, and we may fairly expect better results.

But, subject to this remark, we may, for the meantime, take the Budget Estimates as our standard in both cases; giving a revenue of 18,00 and an expenditure of 11,90.

58.

REGISTRATION.

	1883-84.	1884-85.	1885-86.	1886-87, Budget
Revenue	19	24	24	28
Expenditure	11	12	14	16

Registration does not prosper in Burma. There are eighty Registration Offices, and of these only seven are paying ones. The Sub-Registrars appear to be mostly official, and all who are not Assistant Commissioners are allowed the whole of the fees up to a limit of Rs50 a month. It is not stated whether they have to meet the clerical and contingent expenditure of their offices out of this allowance, but as only eleven clerks are paid for directly by Government this would seem to be the case. The average annual income at the above figure would be only Rs350 for each office.

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Refunds. General Administration.

REFUNDS.

59. Refunds and drawbacks have averaged 128 under Land Revenue, Salt and Customs, and 20 under Stamps, Excise and Forests. The Budget figures are 126 and 26 respectively. The average of the Land Revenue and Customs refunds is greatly increased by the high figures of 1882-83 (50 and 1,17). It will be sufficient, we think, to allow 1,15 (12+6+97) under Land Revenue, Salt and Customs, and 20 (6+11+3) under the other heads.

60.

GENERAL ADMINISTRATION.

	1883-84.	1884-85.	1885-86.	1886-87. Budget.
Chief Commissioner	49	48	48	48
Civil Secretariat	1,17	1,09	1,21	1,11
Commissioners	2,07	2,03	2,12	2,04
Other charges	22	23	24	24
TOTAL	3,95	3,83	4,05	3,87

61. The charges under this head have for some time been steady. They are a little above the standards of 1881-82, 3,43, and of 1882-83, 3,72. The increase is mainly due to the formation of a fourth Commissionership (Irrawaddy Division). There has also been an increase in the Secretariat charges, but it passes under the head of Land Settlement, and is there explained.

62. The Secretariat is divided into three branches—the General, the Revenue, and the Public Works. The number of clerks in these three branches is 20, 19 and 14, and their average pay is R137-9, 114-2, and 130-0, respectively. The average number of letters issued and received is 1,080 per clerk, and each letter costs R1-6-10. The force of these figures will be understood when our separate Note(a) comparing the work and cost of the different Secretariats is submitted.

63. The Translator's Department is an expensive one, considering that only one vernacular language is used, and its cost has increased from 6-5 in 1881-82 to 14 now. There is a Translator on R350 to R500, one assistant on R175, one on R150 and one on R100 to 150, besides a clerk on R50, and an Interpreter on R150. Their work is the translation of Acts and Rules and of confidential and miscellaneous letters, and the editing of the vernacular Gazette. In Bengal with three vernaculars, and the work of reporting on a large number of vernacular newspapers in addition, the cost is 28. We have taken exception to this as too costly and have proposed to reduce it to 24, and we cannot but think that an expenditure of 14 is excessive for Burma.

64. We have drawn attention to the high scale of pay in Commissioners' offices,—an average of R135 a month each—which is even higher than the Secretariat average, and the Chief Commissioner has expressed his readiness to reduce the average pay slightly, to R118-8, making a saving of 1, at the same time that he increases

(a) Owing to the dissolution of the Committee, the preparation of this Note was not completed.

The Future Provincial Contract with Lower Burma.

Law and Justice, Courts.

the number from 30 to 32. The Commissioners' contingent charges also show considerable increase. The explanation given in this case is the same as in the case of Collectors,—the system of contract contingencies, of which the original object was to reduce and limit the cost.

Future Estimate.

65. Subject to these remarks, we fix the amount of the expenditure at the Budget figure, less 1.

66.

LAW AND JUSTICE, COURTS.

	1883-84	1884-85.	1885-86.	1886-87, Budget.
Chief Court	1,17	1,28	1,22	3
Recorder and Judicial Commissioner	32	34	36	1,63
Law Officers	36	35	34	40
Civil and Sessions Courts	24	27	33	35
Small Cause Courts	7,79	8,00	8,14	35
Criminal Courts	59	75	92	8,10
Refunds and Miscellaneous				65
	10,51	10,99	11,35	11,51
Receipts	2,11	2,43	2,46	2,59

67. *Expenditure.*—The increase shown in the Budget under the second

head is due to the addition of a second Recorder, who was already employed for a short time in 1884-85 and 1885-86. A proposal has now been

Recorder and Judicial Commissioner. Proposed Chief Court.

made to combine the two Recorders and the Judicial Commissioner into a Chief Court, and this has been recommended to the Secretary of State. The greater part of the cost of the new Court is already provided in the Budget as it stands, and apparently more money will only be required if experience shows that it is necessary to increase the establishments. A part of the new proposal is to increase the pay of several existing officers, without altering their duties. We do not admit the sufficiency of the reasons alleged for this increase.

68. The Law Officers with their establishment cost 40, although the

Law Officers.

figures of the accounts are smaller, as part of the salaries appears to have remained undrawn through absences. The Law Officers are a Government Advocate (R1,200) and his Assistant (R500). The former is the general legal adviser of Government and its assistant in legal matters, and he and his Assistant represent Government in the Courts of the two Recorders and of the Judicial Commissioner in criminal, as well as in civil cases. There are also two Prosecutors, one in Rangoon (R400) and one in Moulmein (R200), who appear in the Magistrates' courts, and in the case of Moulmein in the Sessions courts also.

69. There are two Judges in the Rangoon Small Cause Court who between

Small Cause Court.

them dispose of 4,650 suits (besides 3,160 miscellaneous cases) a year. The average number of suits annually disposed of by a Judge of a Small Cause Court in Calcutta and Madras is 6,200 and 6,500 respectively. Unless there is some radical difference in the class of cases, it would seem that one Judge should be sufficient at Rangoon. The two Judges receive R700 and R500 apiece, which is not excessive, but their establishment and contingencies are continually increasing. The Cantonment Magistrate of Thayetmyo tries 121 Small Cause Court cases

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Law and Justice, Jails. Police.

a year, and receives an extra allowance of R100 on this account, which the Chief Commissioner thinks should cease. We take off 1 for this reduction.

70. Under the head of Criminal Courts there has been a continual increase in officers, clerks, servants, and contingencies; the total cost being 7,36 in 1882-83 and 8,10 now.

Criminal Courts.

The general explanation given under "Collectors and Establishments" applies also to this head: for example, under the head of clerks the figures of 1881-82 were 146 men, costing R79,140 (average R542), and those of 1886-87 are 183 men, costing R1,08,886 (average R595). Travelling allowances have risen from about R27,000 in 1881-82 to R42,024 in 1885-86. There is also a very high expenditure on diet allowance to witnesses. The general explanation is the increase of work and the increase of crime in recent years. Witnesses have to come long distances to the Courts in Burma, and require somewhat ample compensation in a country where a coolie's ordinary wage is eight annas a day. It should be noted, however, that the greater part of the increase in the figures of 1885-86 and 1886-87 over those of 1884-85 is in the recoverable item of Process-service, and does not therefore really represent increase of expenditure.

71. It is apparently necessary to provide for the charges at the figure at which they stand in the Budget, except as above

Future Estimate.

noted. Refunds were especially high in 1885-86,

but may be taken in future at the Budget figure.

72. *Receipts.*—The receipts show an increase corresponding with the increase of crime noted under Criminal Courts. Conversely, in other Provinces there has been a decrease both in crime and in the receipts credited under this head.

73. LAW AND JUSTICE, JAILS.

	1883-84.	1884-85.	1885-86.	1886-87. Budget.
Jail Manufactures—				
Receipts	1,41	1,43	1,97	1,82
Charges	62	94	1,10	1,10
Net	79	49	87	72
Other Charges	4,06	5,04	5,31	5,05
Other Receipts	4	4	8	3

74. The increase in cost shown against "Other Charges" in 1884-85 was due to a large increase in the number of prisoners, the average daily jail population having been 6,721 in 1884 against 5,324 in 1883. It seems somewhat doubtful if sufficient provision has been made in the Estimates of 1886-87; but, on the other hand, the Estimates appear to show less than the probable recoveries from jail manufactures. They may for the present be taken as they stand.

75. POLICE.

	1883-84	1884-85.	1885-86.	1886-87. Budget.
Charges	20,20	19,68	20,12	19,93
Receipts	15	14	13	14

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Police.

76. *Expenditure.*—Of the charges, about 36 represent cost of superintendence (chiefly an Inspector-General on R1,800 and a Personal Assistant on R250), and the rest is almost entirely the District Executive Force, which costs 19,50.

Superintendence.

77. The Executive Force, including Municipal Police, was 6,619 men costing 11,70 in 1881-82; in 1882-83 it was 6,584 men costing 12,62, and up to 1885-86 it did not much vary from this standard. In 1886-87 about a lakh of addition was made to the whole estimate (including contingent charges), as it was intended to bring up the force to full sanctioned strength. The cause of the increase in 1882-83 was that in that year some improvements were made in the grades of pay of Constables, which are R16, 15, 14, and 12, the R16 grade being new; and that in the beginning of 1883 the creation of the Pegu district also entailed some extra cost.

District Executive Force: recent increase of cost.

78. The cost of clothing is high—R11-8 for each Constable and R25 for each Head Constable,—and they contribute nothing towards it.

Clothing.

79. There are twenty districts in Burma, and for these there are eighteen District Superintendents (R500—R900), three Assistant Superintendents on R400, and ten on R250; besides eight Assistants of the B class,—that is, not ordinarily fitted for the charge of districts,—also on R250. The figures under this head show in 1881-82 and 1882-83, eighteen officers costing about 1,30; but from 1883-84 they are thirty-seven costing about 2,00. The average pay of District Superintendents is R622, and of Assistants R271, which agrees fairly well with the rates we have proposed in other Provinces. Allowing one officer for each of the twenty districts, five for furlough, and three for officers in training, the number should be twenty-eight, or three less than the present number, excluding the B class. Under ordinary circumstances we might have suggested the reduction of these supernumeraries, but it would be out of the question to do so in the present disturbed state of the Province.

80. The travelling allowanees show a rapid increase, namely, 1880-81, R24,315; 1881-82, R21,965; 1883-84, R52,591; 1884-85, R54,953 (excluding a wrongly-classified charge of R19,160). This is ascribed mostly to higher rates, the daily and mileage rates having been increased by fifty per cent. District and Assistant Superintendents draw 12 annas a mile and European Inspectors 3½ annas. Office expenses have also increased, the figures of the four years above quoted being R17,697, R21,451, R44,818, and R31,196. All these charges are stated to be controlled by the Inspector-General; but they have occasionally been allowed, without any remark, to exceed the Budget provision. Petty construction and repairs have also, of late years, been extremely high—R85,941 in 1883-84 and R67,903 in 1884-85. It is explained that several guard-houses had been burnt down, and that they have now been stockaded and put in a state of defence.

Contingent Expenses.

81. The Municipal Police charges to the extent of R2,27,400 were taken over by Government in 1882; and the Municipalities received in exchange charges amounting to R3,63,634, with an assignment of R1,74,000 to meet the deficiency. This

Municipal Police charges.

The Future Provincial Contract with Lower Burma.

Marine.

assignment is charged under Education, Medical, and Public Works, according to the object which it is meant to cover.

82. It would seem possible to reduce the contingent and miscellaneous charges of the Police, but it is probably not possible or advisable to reduce the total cost, and we provide the full amount of 19,93. In fact, the Chief Commissioner in June last submitted to the Government of India certain measures of reorganisation rendered necessary by the complete break-down of the existing Burma Police. These measures include the enlistment in the force of natives of Northern India, and are estimated to ultimately enhance the existing charge by four lakhs, of which it is possible that half a lakh or one lakh is already included in the figures of the Budget Estimate. We have not been informed if this scheme has yet been finally approved, and we do not for the present include it in our estimates.

83. The expenditure includes about R8,000 on account of steam-boiler inspection, against which only about R5,000 is received as fees. Details of the charges are not given, but the Chief Commissioner states that they will be reconsidered and an effort made to equalise receipts and expenditure.

MARINE.

84. The expenditure has been somewhat variable, and we may state the amounts as follows :—

	1883-84.	1891-92.	1895-96.	1898-97, Budget.
Lighthouses and Lightships	1,02	88	93	94
Subsidies to Companies	1,58	50	69	77
Other Miscellaneous Charges	22	23	29	25
Charges connected with floating vessels	1,26	1,70	80	80
TOTAL	4,08	3,31	2,71	2,76

85. *Expenditure.*—The subsidies include Bassein and Henzada (12), Moulmein Rivers (14½), two steam launch services (14½), and the Ramree and Mergui coasting services (each 18). These are exclusive of the charges borne by the Post Office, which are partly Provincial, to the amount of R54,000, and partly Imperial.

86. Under Miscellaneous charges are included 6·7 for the Port Officer and his establishment, and 15 for payments to the Akyab Port Fund and the Rangoon Port Trust for services rendered by their ships and officers.

87. The last item in the statement in paragraph 84 it is not at present possible to estimate accurately. In the earlier years the charges included the river gun-boat *Irrawaddy*, which is at present, as it is understood, otherwise charged. The charge of 81 in 1886-87 includes 35 for two steamers, the *Paletwa* and *Mayu*, plying on rivers in the Arakan District for the development of local traffic, and 5 for what the local accounts call “Dockyards,” but which are explained to mean salaries for the *personnel* of ships under building or repair. There is also an item of 40 on account of the intended purchase of a sea-going vessel for the

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Education. Medical.

port of Akyab, an expenditure which is not yet arranged for. Excluding this item, the Budget would stand at 2,36; and this may be provided in the new Contract.

88. *Receipts.*—Against the expenditure there are the following receipts: freight and passage receipts estimated at 24, and fairly steady; coast light dues, of which the receipts in the four years ending 1886-87 have been 1,71, 1,60, 2,00, and (Budget) 1,87; and other receipts about 3. We may take the Budget figure of 2,16.

89.

EDUCATION.

	1883-84.	1884-85.	1885-86.	1886-87. Budget.
Direction and Inspection	48	81	84	59
Colleges and Schools	1,07	1,60	1,70	1,75
Contributions to Municipalities	86	81	81	83
Miscellaneous	71	41	35	54
TOTAL	3,12	3,63	3,70	3,71
Receipts	36	49	41	44

90. The decrease in 1886-87 under the head of Inspection appears to be due

to the transfer of some of the charges to Local; the Budget Estimates repeated.

Local expenditure on Education has risen from 77 in 1884-85 to 1,00 in 1885-86, and 1,61 is estimated for 1886-87. The Chief Commissioner anticipates some possible decreases of expenditure under this head, as the Grant-in-aid Rules come under revision shortly, and the grants to Municipalities are also open to revision in 1887. Meantime we adopt the existing measure of the expenditure.

91.

MEDICAL.

	1883-84.	1884-85.	1885-86.	1886-87. Budget.
Medical Establishment	1,17	1,24	1,22	1,20
Vaccination and Sanitation	12	12	12	13
Hospitals and Dispensaries	12	11	11	12
Grants for Medical purposes	31	23	22	22
Medical Schools . . . . .	...	1	2	15
Lunatic Asylums	20	20	21	21
Other Charges	12	17	15	18
TOTAL	2,04	2,08	2,05	2,21

92. *Expenditure.*—The first line of the above statement represents for the

most part the salaries of the Civil Surgeons, eighteen in number; of these eight (including Rangoon, Moulmein, Bassein, and Akyab) are reserved appointments, and the rest are tenable, and are actually held, by Uncovenanted officers. The Chief Commissioner states that he would have no objection to reserving only the four above-mentioned.

93. A single officer on R1,500 a month combines the duties of Inspector-

Inspection.

General of Prisons, Inspector-General of Civil Hospitals, and Sanitary Commissioner. He has a very small office. The greater part of the charge under Vaccination and Sanitation represents part of his pay and establishment, as only one vaccinator, out of 63 employed in the Province, is charged to Provincial, the rest being paid from Local or Municipal Funds.

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Scientific and Minor Departments.

94. Similarly, only two dispensaries are Provincial, the Provincial expenditure on Hospitals and Dispensaries being mainly the cost of those two, and of a small number of Hospital Assistants maintained as a reserve. Municipalities maintain their own hospitals at a cost of about 1,20, but obtain grants-in-aid from the Government of 22 or 23 (charged above under "Grants") under the arrangement indicated in paragraph 81. The charge under Medical Schools (which apparently sometimes appears under Education) represents the cost of maintenance and fees and passages of seven students at the Medical College, Calcutta, who receive R60 per mensem; of six at the Auxiliary Medical School, Madras, who receive R68 per mensem; and of five undergoing preparatory training in Burma, who get R20 per mensem. These grants seem to err rather on the side of liberality. Of the Other Charges the greater part is on account of Lock Hospitals.

95. *Receipts*.—The receipts under Medical are only 9.

96. SCIENTIFIC AND MINOR DEPARTMENTS.

	1883-84.	1884-85.	1885-86.	1886-87, Budget.	Committee's Estimate.
Immigration	1,33	3	15	2	...
Agricultural Department	36	25	15	21	...
Experimental farms	14	14	20	20	15
Veterinary class	23	23	21	26	20
Public Exhibitions	9	10	10	5	5
Other heads	22	16	18	13	14
TOTAL	2,37	91	81	87	54
<i>Receipts</i>	3	2	2	2	2

97. Under the first head expenditure has practically ceased. The next two heads represent the cost of a Department under an Assistant Director, who is engaged in making Agricultural experiments, and in travelling about to teach better methods, and to introduce better implements and new cultivations. The agreement with the Assistant Director expires in May 1887, and the Department will probably be abolished then, the residuary work being placed in the hands of the "Supplementary Survey" Department. The Chief Commissioner, though considering the expenditure under these two heads very useful, expresses disappointment with the results, and proposes to reduce the expenditure upon the Experimental farms. It seems sufficient to allow 15 for the expenditure now classed under the two heads.

98. The Veterinary class represents the cost of about 23 men who travel about to deal with cattle disease, and to give instruction in better methods of rearing for cattle. The Chief Commissioner says that the expenditure is stated at too high a figure in the estimates, and that it is decreasing. We may allow 20 under this head.

99. The high figure of 1885-86 under Public Exhibitions is due to expenditure connected with the London Exhibition.

Future estimates.

100. Making the reductions above noted, the whole estimate will stand at 54 Expenditure and 2 Receipts.

The Future Provincial Contract with Lower Burma.

Superannuation Allowances, &c. Stationery and Printing. Miscellaneous.

SUPERANNUATION ALLOWANCES AND PENSIONS.

101. The expenditure has been stationary at 1,73 and 1,74 during the past three years, as the discontinuance of some high gratuity charges counterbalanced the slow increase of pensions. The Budget provides a slightly higher rate of payment (1,79) and 3 receipts, which may be adopted. We retain this head as Provincial, for the reasons given in paragraph 182 of Chapter VI.

102. STATIONERY AND PRINTING.

	1883-84.	1884-85.	1885-86.	1886-87. Budget.
Stationery	84	74	(a)	84
Printing	87	99	1,03	1,11
Receipts	5	8	4	4

(a) Not yet made up.

103. The provision for Stationery has been increased from 77 to 84 by the transfer of 7, cost of stationery purchased in the country, which was charged under Contract contingencies not subject to audit in 1882-85. The remaining charges were unusually high in 1883-84 owing to special work on vernacular editions of the Codes. The Budget figures may be adopted.

104. The greater part of the printing charge is for the Secretariat Press, the Jail Press, which is used for the printing of forms, costing only about 20 out of the whole. The Budget Estimate is raised to 1,11 by a demand of 13 for new materials and stock, but, as a considerable increase is anticipated in the Secretariat Printing, owing to increased work brought upon the Secretariat by Upper Burma, it would apparently be well to take the Budget as the present probable estimate of the cost.

MISCELLANEOUS.

105. *Expenditure*.—The miscellaneous charges were 38 in 1884-85, and 32 in 1885-86; and are estimated at 24 in 1886-87. Of this amount 9 or 10 is on account of destruction of wild animals, and the rest is composed of a large number of small items. The figures of 1884-85 were specially enhanced by a grant of R10,000 to an Industrial Home, but it would appear on the whole that the Budget Estimate of 24 is a little short of the probable charge. We may take it meantime, subject to this reservation.

106. *Receipts*.—The miscellaneous receipts in the same three years were 22, 24, and 23, of which about 12 represent fees received for audit. The amount may also be taken at the Budget figure.

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Public Works—Railways and Irrigation, &c.

PUBLIC WORKS.

RAILWAYS—REVENUE ACCOUNT.

107. The Revenue transactions of the Burma State Railways are as follows:—

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87, Budget.
Revenue	15,29	15,87	16,77	21,66	23,36	26,00
Expenditure	8,97	9,88	10,21	13,44	17,48	17,50
Net Revenue	6,32	5,99	6,56	8,22	5,88	8,50
Interest	5,59	6,91	8,53	9,92	11,20	10,93

108. The gross revenue has been steadily increasing. The increase in interest, in excess of the increase of net revenue, is due to the increase in the Capital expenditure on the Sittang Valley Line, which has only recently commenced to earn revenue. We have received no information regarding this line from the Chief Commissioner, but the earnings of the Railway system show steady and considerable progress, and it seems probable that the net Revenue this year will exceed the estimate. Next year it is estimated by the Local authorities that there will be an improvement of two lakhs, the Railway earning 28 lakhs with an expenditure of 17 lakhs, or 11 lakhs net. This estimate does not include any revenue from the carriage of materials for the extension to Mandalay, from which the Railway will probably reap considerable benefit. We therefore consider that in preparing the new Contract the net Revenue may be safely placed a little above the Estimate of the year, or at Rs9,00,000.

Increase of traffic anticipated.

RAILWAYS—CAPITAL ACCOUNT.

109. No provision under this head is necessary. The Mandalay line will be charged as an Imperial work, at least during its construction.

IRRIGATION AND NAVIGATION.

110. The transactions under this head are as below :—

Revenue.

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86, Revised.	1886-87, Budget.
Irrawaddy embankments	1	1	2	2	1	1
Works for which neither Capital nor Revenue Accounts are kept.)	31	42	38	31	39	30
TOTAL	32	43	40	33	40	31

Expenditure.

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86, Revised.	1886-87, Budget.
Works for which neither Capital nor Revenue Accounts are kept.)	3,34	8,53	5,36	3,99	2,40	2,00
Capital Account— Irrawaddy embankments	97	—7	...	...	...	...
Revenue Account— Irrawaddy embankments	63	68	50	2,83	1,12	1,10
Other Works	4	...	..	...	...	...
TOTAL	4,98	9,14	5,86	6,82	3,52	3,10

The Future Provincial Contract with Lower Burma.

Public Works.—Civil Works.

111. *Expenditure.*—The figures in the upper line refer chiefly to the Pegu and Sittang Canal, the Kyaikto Canal, and several scattered undertakings of a like character.

Canals.

112. The Chief Commissioner has furnished by telegraph the following particulars giving the details of anticipated outlay on original works during the next five years :—

Chief Commissioner's estimate for the future for New Works.

	R
Pegu Canal completion	2,50,000
Training streams, Tharrawaddy and Shwegyin Districts	2,00,000
Completion, Sittang Embankment	2,00,000
Completion, Kyaikto Canal	1,25,000
Ngawin Embankment	2,00,000
Swelsing Embankment	1,00,000
TOTAL NEW WORKS	10,75,000

113. Besides this, he estimates the cost of maintenance and repair of embankments at one lakh a year, making altogether an average annual expenditure of 3,15. We know nothing about the New Works, but their necessity will, no doubt, be fully explained before any allotment is finally sanctioned. According to this year's Budget, it was estimated that the completion of the Kyaikto Canal would cost R2,39,971. As R2,51,000 has been allotted thereto, there should be no further necessity for expenditure in 1887-88, unless a large excess on this work is anticipated. Without giving any opinion as to the necessity for these, or any other New Works, we take, for the purpose of the Contract, this year's figure, 3,10, of which we reckon 1,00 for maintenance. This will leave 2,10 available for New Works.

Repairs.

CIVIL WORKS.

114. *Revenue.*—The figures of the last six years are as follows :—

	1881-82.	1882-83.	1883-84.	1884-85.	1885-86, Revised.	1886-87, Budget.
	R	R	R	R	R	R
Public Works Department	1,27 (a)	56	48	69	47	45
Civil Department . . . . .	...	1	...	...	1	1
TOTAL	1,27	57	48	69	48	46

(a) Including 18 Military Works Revenue.

115. In the new Contract we propose to take the Budget figure 46.

116. *Expenditure.*—The outlay on Civil Works charged to Provincial is exhibited under main heads in the following statement. The outlay on Local Fund Public Works is also added at foot. The procedure, under which the ordinary outlay on Military Works in Burma was charged to Provincial, ceased at the close of

The Future Provincial Contract with Lower Burma.

Adjustments.

the first Contract in 1881-82, but some exceptional items were subsequently charged to Provincial at the request of the Chief Commissioner.

CIVIL WORKS.	1881-82.	1882-83.	1883-84.	1884-85.	1885-86, Revised.	1886-87, Budget.
Original works—	R	R	R	R	R	R
Civil Buildings	6,62	7,57	5,26	1,94	1,53	42
Communications	11,42	11,78	11,87	7,81	1,78	48
Miscellaneous	1,04	2,50	38	23	2	3
Total	19,08	21,85	17,51	10,03	3,33	93
Repairs—						
Civil Buildings	85	97	92	1,03	1,13	1,24
Communications	3,06	2,94	3,58	3,15	3,79	3,89
Miscellaneous	4	13	15	5	6	6
Total	3,95	4,04	4,65	4,23	4,98	5,19
Establishments	4,07	4,58	5,94	5,07	4,76	5,16
Tools and Plant	96	63	67	37	2	37
Suspense, &c.	—91	—44	—8	—9	...	...
Civil Officers	...	51	50	44	44	44
Total Civil Works	27,15	31,17	29,19	20,05	13,53	12,09
Total Military Works	5,05	3	...	20	...	...
Total Provincial	32,20	31,20	29,19	20,25	13,53	12,09
Local	6,54	7,11	6,01	4,89	3,80	4,00

117. The expenditure on establishments in the current year appears very high, and should be capable of reduction. In the present state of the finances we do not think that a larger sum than R12,00,000 can be allotted to the Province for outlay under the head Civil Works, and if the outlay is limited to this sum, the expenditure on establishments should not exceed R3,00,000. We have had no estimate of the necessary outlay on Repairs, but it seems probable, that the amount needed under this head should not exceed R4,75,000. If R50,000 is found sufficient for outlay by Civil officers, increase in suspense, &c., and tools and plant, the obligatory expenditure is 8,25, and a sum of R3,75,000 will be available for outlay on Original Works. But in order to carry out this reduction, it may be necessary for the Government of India to provide elsewhere for the extra officers (now costing 2,16) with whom the Chief Commissioner may wish to dispense.

ADJUSTMENTS.

118. We append to this chapter two Statements, A and B, which show the total and the Provincial share of all Provincial and divided heads according to the Budget of 1886-87; the total estimates of Revenue and Expenditure now adopted under the same heads; and the Provincial share of each; both according to the system now in force, and also under the system prescribed for the future Contract in the Government of India's letter No. 2187, dated July 26th, 1886, Department of Finance and Commerce, but with the modifications under Salt and Customs mentioned in paragraphs 27 and 35.

119. We have assumed that the new Contract will annul all adjustments made since 1882 in the current Contract on account of modifications in the distribution of revenue and expenditure. They amount to —1,47 net, and are shown in Statement A.

The Future Provincial Contract with Lower Burma.

Statement of Revenue.

A.—STATEMENT OF REVENUE.

—	BUDGET ESTIMATE OF 1886-87.		ESTIMATES NOW ADOPTED.		
	Total.	Provincial share.	Total.	Provincial share as at present.	Provincial share as proposed.
I	2	3	4	5	6
Civil Heads.	R	R	R	R	R
Land Revenue, divisible	1,04,06	34,17	1,04,42	34,29	(a) 26,10
„ „ Provincial	11,01	11,01	11,00	11,00	11,00
Salt	2,60	85	2,60	85	85
Stamps	10,00	5,00	9,38	4,69	7,04
Excise	22,16	11,08	22,16	11,08	5,54
Customs, Export duty	46,14	15,16	44,61	14,65	14,65
„ „ Provincial Receipts	24	24	24	24	24
Forests	18,00	9,00	18,00	9,00	9,00
Registration	28	14	28	14	14
TOTAL REVENUE HEADS	2,14,49	86,65	2,12,69	85,94	74,56
Law and Justice, Courts	2,59	2,59	2,59	2,59	2,59
„ „ Jails	1,85	1,85	1,85	1,85	1,85
Police	14	14	14	14	14
Marine	2,16	2,16	2,16	2,16	2,16
Education	44	44	44	44	44
Medical	9	9	9	9	9
Scientific, &c., Departments	2	2	2	2	2
TOTAL CIVIL DEPARTMENTS	7,29	7,29	7,29	7,29	7,29
Superannuations	3	3	3	3	3
Stationery and Printing	4	4	4	4	4
Miscellaneous	23	23	23	23	23
TOTAL MISCELLANEOUS	30	30	30	30	30
Total Civil Heads	2,22,08	94,24	2,20,28	93,53	82,15
Public Works.					
State Railways	26,00	26,00	26,50	26,50	26,50
Irrigation (Minor Works)	31	31	31	31	31
Civil Works	46	46	46	46	46
Total Public Works	26,77	26,77	27,27	27,27	27,27
TOTAL REVENUES	2,48,85	1,21,01	2,47,55	1,20,80	1,09,42
Contributions (net) . . . . .	...	6	...	...	...
Adjustments—					
For alterations of classification . . . . .	...	—1,47	...	—1,47	...
Inter-provincial . . . . .	...	—23	...	...	...
For special expenditure . . . . .	...	25	...	...	...
TOTAL RESOURCES	2,48,85	1,19,62	2,47,55	1,19,33	1,09,42

(a) The Government of India letter No 2187, dated 26th July 1886, proposes the assignment of a fixed sum plus a quarter of the increase. We adopt in this statement the somewhat more convenient, but equivalent, course of assigning one quarter of the whole, plus a fixed sum.

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Statement of Expenditure.

B.—STATEMENT OF EXPENDITURE.

	BUDGET ESTIMATE OF 1886-87.		ESTIMATES NOW ADOPTED.		
	Total.	Provincial share.	Total.	Provincial share as at present.	Provincial share as proposed.
1	2	3	4	5	6
Civil Heads.					
Refunds—	R	R	R	R	R
Land Revenue, Salt, and Customs	1,26	39	1,15	36	29
Stamps, Excise, and Forests	26	13	20	10	9
Land Revenue—					
Collectors and Establishments	7,52	7,52	7,52	7,52	7,52
Survey and Settlement	5,31	1,75	4,18	1,38	1,05
Commission on Collections	7,11	2,40	7,11	2,40	1,84
Salt	3	3	3	3	3
Stamps	24	12	24	12	18
Excise	52	26	52	26	13
Customs	1,73	1,73	1,67	1,67	1,67
Forests	11,90	5,95	11,90	5,95	5,95
Registration	16	8	16	8	8
TOTAL REVENUE HEADS	36,04	20,36	34,68	19,87	18,83
General Administration (except Account Office)	3,87	3,87	3,86	3,86	3,86
Law and Justice, Courts	11,51	11,51	11,50	11,50	11,50
" " Jails	6,15	6,15	6,15	6,15	6,15
Police	19,93	19,93	19,03	19,93	19,93
Marine	2,76	2,76	2,36	2,36	2,36
Education	3,71	3,71	3,71	3,71	3,71
Medical	2,21	2,21	2,21	2,21	2,21
Political	3	3	3	3	3
Scientific, &c., Departments, Provincial	87	87	54	54	54
TOTAL CIVIL DEPARTMENTS	51,64	51,04	50,29	50,29	50,29
Superannuations	1,79	1,79	1,79	1,79	1,79
Stationery	1,95	1,95	1,95	1,95	1,95
Miscellaneous (Provincial items)	24	24	24	24	24
TOTAL MISCELLANEOUS	3,98	3,98	3,98	3,98	3,98
Post Office	61	61	61	61	61
Total Civil Heads	91,67	75,99	89,56	74,75	73,71
Public Works.					
Railways—Working expenses	17,50	17,50	17,50	17,50	17,50
" Interest	10,93	10,93	10,93	10,93	10,93
Irrigation Minor Works—Provincial	3,10	3,10	3,10	3,10	3,10
Civil Works—					
Original works	93	93	3,75	3,75	3,75
Repairs	5,19	5,19	4,75	4,75	4,75
Establishment	5,16	5,16	3,00	3,00	3,00
Civil Officers	44	44	50	50	50
Other Charges	37	37			
TOTAL CIVIL WORKS	12,09	12,09	12,00	12,00	12,00
Total Public Works	43,62	43,62	43,53	43,53	43,53
GRAND TOTAL EXPENDITURE	1,35,29	1,19,61	1,33,09	1,18,28	1,17,24



Dissent by the Hon'ble Mr. Ranade

MEMORANDUM OF DISSENT BY THE HONOURABLE
MR. M. G. RANADE.

CHAPTERS III TO X.

The revision of the provincial contracts with a view to ensure economy and efficiency, and benefit Imperial finance, formed one of the subjects entrusted to the Finance Committee for inquiry, and, as matters have turned out, it has been by far the most important portion of the work undertaken and finished by the Committee. This part of the inquiry was at first entrusted to the provincial contract sub-committee (Mr. Westland, Colonel Filgate, and Mr. Bliss). And it was further

Vide Proceedings, 12th April 1886.

resolved that Dr. Hunter should be associated with the sub-committee in matters relating to education, and Mr. Hardie in matters relating to currency. The instructions to the sub-

Proceedings, 17th April 1886.

committee contemplated that, after making a detailed examination of past revenue and expenditure, and framing an estimate of probable receipts and expenditure during the

Proceedings, 17th April.

next five years, "provisional notes should be drawn up for communication to the local Governments, suggesting what assignments should be made in each case on a general view of the financial position of the province, and of any suggested reductions." Before the Committee closed their labours at Simla, and proceeded on tour through the provinces, it was settled, in order to secure

Bombay, 17th July 1886.

despatch in the negotiations regarding the new revision of provincial contracts with the local Governments, that the president and the members of the provincial contract sub-committee, who were to go on tour, should have the powers of the full Committee delegated to them in respect of making suggestions and proposals to the Government of India, subject to two conditions, namely, that the drafts of the proposals so made should show which of the proposals were acceptable or otherwise to the local members and local Governments, and that copies should be sent to the members not on tour, who might record a dissent at any subsequent time, if they disapproved of the reductions suggested. This delegation of powers did not in any way necessitate a reversal of the original arrangements by which Dr. Hunter was to assist in the education portion of the work, and the sub-committee was to draw up only provisional notes to be communicated to the local Governments. In due course, these provisional notes would have come up again before the full Committee to be finally approved and embodied in the report. Owing, however, to the dissolution of the Committee on 20th December 1886, many of these arrangements could only be imperfectly carried out. The credit and the responsibility for the provincial notes as they stand chiefly belong to the President and the provincial contract sub-committee. The other members of the Committee received some of these notes only a few days before the dissolution, and in the case of the notes received earlier, it was thought advisable to wait till the final report, as each separate note could not conveniently be considered by itself without comparing its suggestions with the settlement of similar questions arrived at in the other notes.

These members have not also had the advantage of knowing definitely and exactly what portion of the suggestions were accepted or not by the local Governments, who have the responsibility of working them out in detail. The

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practice observed on the occasion of Mr. Rickett's commission in 1856 was to supplement preliminary notes with a detailed statement of remarks made by the local Governments, and necessary modifications made in consequence thereof before the final report was drawn up for the orders of Government. This practice could not under the circumstances be followed in the present case, and the general members of the Committee have no course left but to record their separate dissents from such of the suggestions made and principles enunciated as they could not subscribe to, and forego the advantage of common deliberation which might have minimised differences and promoted agreement. As many of the matters dealt with in the notes have already been the subject of final settlement with certain modifications between the Government of India and the several local Governments, the dissents so recorded by individual members will possibly be too late for practical purposes. It is none the less necessary, however, that the original object of Government in appointing a varied and fairly representative, instead of a purely official, Committee, should be carried out as far as may be possible, especially as these differences relate to questions of principles, which do not greatly affect the details of economy suggested, but involve issues of far wider reach than are represented by mere retrenchments of expenditure. These preliminary remarks will, I trust, serve to avoid all misunderstanding, and explain the circumstances under which it has become necessary to record this dissent.

LAND REVENUE.

A.—DISSSENT FROM PROPOSALS ABOUT SURVEY AND SETTLEMENT.

Receipts.

I dissent from the recommendation made in these paragraphs. In the Punjab Note, the Committee refers to a plan by which it is proposed that the resettlements should be introduced without the preliminary laborious operations, to which plan it is further stated that the Government of Punjab has not yet given its assent. In the Central Provinces Note, it is stated that a summary settlement is in some places to precede the regular operations, and in others to be substituted for them. The Madras Note goes further, and states that "if there is of necessity any great delay in completing the settlement of a district which is known to be very much under-assessed, *e.g.*, Tanjore and Malabar, a summary settlement might be made on the basis of the village papers so as to avoid the loss which would otherwise ensue to the Government Treasury."

I feel that these suggestions are open to question both on the ground of fairness and practicability. Laborious survey and settlement operations are either necessary or superfluous. If necessary, and the work is unnecessarily delayed, the Government should enforce despatch, but it cannot well expect any good work if, because the work is delayed by the system followed by its own officers, a rough settlement based on village papers should be introduced with a predetermination that it shall lead to enhancement. Government cannot well fix the limit of this enhancement, and its individual incidence, on any such rough basis. If these operations are really unnecessary, they had better be dispensed with altogether, to the great relief of both the Government Exchequer and the people liable to be affected by these operations.

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It may be noted also that where a rough unscientific system of settlement is in progress, as in Bengal, the results have been so unsatisfactory that the Committee's Note on that Province complains of the work as being slow, expensive, and of doubtful utility, resulting in loss to Government, and a recommendation is made for the completion of the work by the officers of the professional Settlement Department with their laborious maps and records. This recommendation to more largely employ professional as against unprofessional agency is inconsistent with the proposals made in the Punjab and Madras Notes.

B.—DISSENT IN REGARD TO SEASONAL REMISSIONS.

The next point on which I find it necessary to dissent relates to the suggestion made in the Madras Note in regard to the policy of dispensing with the seasonal remissions in the Madras Presidency. The reason assigned for this change is that the assessments are based on the average prices of 20 years past, with a large deduction from the average in order to meet the case of a failure of the crops. This suggestion appears to me to have been made more from a consideration of the theory than of the practical working of the Madras system of assessment. That system even in theory has always contemplated the necessity, and the practice has been almost invariable, of granting these seasonal remissions. The Madras assessments are so high pitched that they do not really leave any margin for bad years. The fact that, in the last famine, 25 per cent. of the population died of starvation and disease, is itself a sufficient proof that no such margin is left. Seasonal remissions may be dispensed with in Provinces where the settlements are permanent, or fixed for entire villages on the basis of a share in rent values. But in Madras and Bombay, with a ryotwari and periodical system of settlements, these remissions cannot be dispensed with, as it is only once in three years there is a good crop, alternately with a bad and a middling crop. The reduction of the amount of seasonal remissions from an average of 14 lakhs to less than 2 lakhs can end only in unduly swelling the estimates, and disorganising the system of Land Revenue administration in the Madras Presidency.

The special arrangement proposed in paragraphs 20 and 21 (Madras Note), and which I understand has been accepted by the Local Government, will, for the reasons stated above, be found to be an unworkable scheme, as the margin of 40 lakhs is fixed at too high a figure, and will throw the burden of loss on the Provincial Government exclusively.

C.—DISSENT IN REGARD TO COLLECTOR'S AND ESTABLISHMENT CHARGES.

Expenditure.

I dissent from the Committee's general acceptance of the existing scale of expenditure under this head. Excepting the amalgamation of the offices of the Collector of Customs and Collector of Bombay (paragraphs 16-18, Chapter VI), and unimportant reductions in Madras (paragraph 28, Chapter VII) and Punjab (paragraphs 14-17, Chapter III), the Committee have suggested no economies in these provincial Notes, either under the head of Land Revenue Collection Charges or of the Survey and Settlement Charges. The instructions of Government that the questions of revising Collectors' salaries, &c., were not to be gone into have been too liberally interpreted. It appears to me that there is room for considerable economy here, as the Land Revenue collection charges

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in the several Provinces present considerable differences, which are not satisfactorily accounted for by the differences in area, population, and Land Revenue of these Provinces.

The following statement summarises the figures for area, population, number of Collectors, the Land Revenue collections, and the Collectors' and Establishment charges as accepted by the Finance Committee in these Notes:—

	No. of District Collectors.	Area in square miles.	Population in millions.	Estimates of Land Revenue, 1886-87.	Collectors and Establishment Charges.	Percentage.
				Thousands omitted.	000s omitted.	
Bombay	23	1,24,000	16½	32900+7327 (<i>Alien</i>)	29,53	7½
Madras	21	1,41,000	31½	45455	34,87	8
Bengal	45	1,03,000	69½	37613+387 (<i>Provincial</i>)	27,68	7½
N.-W. Provinces	45	1,06,100	44	57400+570	35,00	6
Punjab	31	1,08,000	19	22013	17,98	8½
Central Provinces	18	84,000	10	6118	7,28	11½
Burma	20	87,000	3½	10442+1100 (<i>Provincial</i>)	7,52	6½
Assam	11	40,000	5	4230	7,04	19½

Assam by this calculation presents the highest figure of comparative cost, and the Central Provinces come next in order. The other Provinces are on nearly the same level. These figures are, however, to some extent too vague to serve any useful purpose of comparison, as the systems of Land Revenue collections in the different Provinces vary greatly. In some Provinces there are no Tahsildars, in others the Revenue executive officers combine both Civil and Criminal functions. It is necessary therefore to enter into greater details. In presenting these details below, no deduction on account of Criminal Courts has been made, as different proportions obtain in the different Provinces in regard to the share of cost so deducted, and it is clear that the Criminal and Civil work is only an adjunct of the principal charge in respect of Land Revenue, which would show little real decrease even if these establishments were relieved of all other duties. In the absence of later figures, I have utilised the accounts of 1884-85, as these give the actuals about which there is not much room for dispute, and where these were wanting, the Budget figures for 1885-86 have been used.

Thousands omitted.

	Central Provinces.	Burma.	Assam.	Bengal.	N.-W. Provinces.	Punjab.	Madras.	Bombay.
Collectors, Deputy Commissioners	525	848	439	2,560	8,036	1,219	1,057	1,209
Assistants, Extra Assistants, &c.	103	171	210	101	824	286	600	544
Establishments	245	72	8	162	1,242	555	1,212	1,138
Tahsildars	49	103	47	311	246	140	444	590
Contingencies	210	762	266	156	3,467	87	3,163	2,858
Travelling allowances, &c.	(Patwari.)							
Allowances to village officers and commission for collections	1885							
TOTAL BEING	1,132	1,956	973	4,216	8,815	1,737	6,476	6,639
TOTAL LAND-REVENUE COLLECTIONS	18 p. c.	17 p. c.	23 p. c.	11 p. c.	15 p. c.	8 p. c.	14 p. c.	16 p. c.
	6,200	11,500	4,200	38,060	58,000	22,000	45,500	40,227

Dissent by the Hon'ble Mr. Ranade.

Land Revenue.

The percentage on the revenue collected of the salaries of superior executive officers varies from 2 to 3 per cent. in Bombay and Madras, to 5 to 6 per cent. in North-Western Provinces, Bengal, and Punjab, and mounts up to 7 or 8 per cent. in Central Provinces and Burma, and is 10 per cent. in Assam. The percentage of office establishments again is highest in Assam, nearly 5 per cent., while it ranges between 1 and 3 per cent. in the other Provinces. The Tahsildars' charges are almost nil in Assam, which thus virtually employs costly agency for work done elsewhere by Tahsildars. The Tahsildars' charges range between 2 and 3 per cent. in the other Provinces, being highest in the Central Provinces, about 4 per cent. The village officers' and commission charges are highest in Madras, Bombay, Burma, Assam, and North-Western Provinces, being 5 to 6 per cent.; and they are lowest in Bengal and Punjab. On the whole, in the smaller non-regulation Provinces the higher staff is either overpaid or over-manned, and this especially is the case in Burma, Assam, and Central Provinces. This is due in great measure to the large number of smaller districts which have been created in these Provinces. The concentration of Revenue and Judicial (both Civil and Criminal) powers in the hands of non-regulation district officers, has been urged as an excuse for the constitution of the smaller districts; but in regard to Assam

Special Civil and Criminal charges.

Assam	3,86,000
Central Provinces	3,66,000
Burma	4,37,000
Bengal	47,94,000
N.-W. Provinces	27,82,000
Punjab	14,81,000
Madras	24,43,000
Bombay	30,43,000

there is no force in this argument, because its special charges for Civil and Criminal Courts are nearly 11 per cent. of its land revenue, against 5 per cent. North-West Provinces, 7 per cent. Central Provinces, 7 per cent. Bombay, 5 per cent. Madras, 7 per cent. Punjab, and 18 per cent. Bengal. The tendency moreover of late years has been to

swell these charges without in any way diminishing the Revenue executive.

A revision of these district arrangements, if it leads to the union of the smaller revenue charges into larger ones, might furnish much room for economy, and would facilitate the solution of the problem of the further separation of Judicial from Executive functions, which Government feels itself unable to cope with by reason of financial difficulties.

D.—DISSENT IN REGARD TO SURVEY AND SETTLEMENT CHARGES.

I dissent also from the Committee's acceptance of the existing scale of charges on account of land Survey and Settlement. In regard to these charges, the Finance Committee have generally recommended, at least for the next five years, the continuance of these establishments on their present footing, even when the expenditure has increased of late years, as in the North-Western Provinces by 3 lakhs. The recent Government of India Resolution, which suggested the early closing of the operations of this Department in the settled Provinces, might well, under the stress of the existing pressure, have been more largely given effect to, at least gradually. The survey and settlement charges together come to a very large sum, about 50 lakhs of rupees per year, being distributed in the following way:—

(Punjab 5,20,000, North-Western Provinces 10,00,000, Central Provinces 5,50,000, Madras 10,70,000, Assam 1,89,000, Burma 4,16,000, Bengal 3,30,000, and Bombay 8,80,004), or one-sixth of the charge of Land Revenue collections. Seeing that during the last ten years the Land Revenue has increased only by one crore of rupees, the Survey and Settlement charges for the same period greatly exceed the additional revenue brought in by these operations. How expensive and dilatory the process of settlement is may be best illustrated by the figures given by the Madras Government in respect of the 14 districts brought

Dissent by the Hon'ble Mr. Ranade.

Salt.

under Survey Settlement in that Presidency. I gather from a statement, officially published by that Government, that the land revenue of the 14 districts (202 lakhs) was raised to 218 lakhs, at an expenditure in twenty years of nearly 180 lakhs of rupees. In other words, it would have been worth the while of the Government to have saved the whole trouble of the settlement and saved its money with the interest thereon, or invested it in reproductive works which would have brought in a larger return to the treasury than was secured by this expenditure. If increase of revenue be the only object, it can as well be obtained in all districts once surveyed and settled by a percentage enhancement in some proportion adjusted to a permanent rise of prices all round, without disturbing the relative values of holdings, which disturbance every settlement necessarily involves. This whole question requires to be reconsidered in the spirit of the Resolution of the Government of India which directed a modified system of fixed assessments, variable only in respect of general causes or State expenditure on a large scale.

This enquiry has now become the more necessary because of the creation of a separate department for the collection of agricultural facts and statistics, and the preservation and correction of the record of rights. Considerable expenditure has been incurred by all the Governments on this account in the creation of Directors of Agriculture, District and Tahsil Kanungos and Revenue Inspectors. Nearly 2 lakhs have been specially allowed on this account for Punjab, half a lakh for Bengal, ₹75,000 in Central Provinces, and nearly half a lakh in Bombay. The intention of Government in creating these offices was to reduce the cost of its Survey and Settlement Department; and I think that there was and still is, a large scope for reduction in this direction. By accepting the work already done by the Survey and Settlement Department as to the standard measurement and initial classification values, and permitting general considerations alone to guide Government in fixing the scale of its percentage enhancements, Government could easily dispense with the services of a large number of the officers in these two Departments. As it is, the Committee have contented themselves with proposing the amalgamation of the Survey and Settlement Departments in Madras, and proposing a larger substitution of native for costly European agency in that Province. This last suggestion might have been made with equal propriety in respect of the other Provinces, as a substitution of this sort would by itself considerably reduce the cost of the Department, even if it was decided not to meddle with its operations for the next five years.

SALT.

E.—DISSENT IN REGARD TO THE MADRAS SALT ESTABLISHMENT.

I dissent from the Committee's acceptance of this expenditure on the ground that it is not provincial (paragraph 51), and because the department has been newly organised. The first reason is not sufficient, as the Excise and Salt Departments have been managed by the same agency (paragraph 62). As to the second reason, a revision is necessary because of the recent change of system (paragraphs 50 and 69). The Committee have recommended considerable reductions in the Northern India Salt Department, but no similar reductions have been proposed in regard to the Salt Departments of Madras and Bombay. The Madras Salt Department is chiefly a recent creation, and is, comparatively speaking, a very costly arrangement, seeing that the duties of the Department will now be more and more confined to the supervision and control of private licensed producers.

Madras Note, Chapter VII, paras. 51 and 69.

Dissent by the Hon'ble Mr. Ranade.

Salt.

The system of direct State manufacture has been since 1884 given up to a larger extent in Madras than in Bombay. The receipts and charges in respect of Salt Revenues in 1884 will be seen from the following statement :—

	Government of India, 1884.	Bengal, 1884.	Madras, 1884.	Bombay, 1884.	Burma, 1884.
RECEIPTS.					
Customs Duty . . .	1,41,60,587	1,91,90,410	1,831	17,614	2,30,765
Sale of Government Salt . . .	...	..	1,06,46,940	4,68,982	...
Excise Duty . . .	12,88,055	10,11,999	31,05,245	1,41,34,270	...
Fees, Fines, Rents . . .	92,288	85,364	22,951	1,41,34,270	33,647
Carriage and Freight . . .	23,554	...	...	943	...
Miscellaneous . . .	92,052	36,192	22,136	58,647	...
TOTAL RECEIPTS .	16,00,572	7,03,27,015	1,37,99,709	1,46,83,893	2,64,000
CHARGES.					
Superior Officers . . .	1,15,306	26,372	1,26,805	93,260	...
Establishment . . .	53,765	...	4,40,399	5,50,742	...
Preventive Service . . .	6,43,567	...	2,90,109	71,385	...
Contingencies . . .	3,95,075	13,169	14,600	1,38,000	2,745.
Carriage and Freight . . .	2,29,103	...	5,28,702	74,498	...
TOTAL CHARGES .	14,36,916	39,486	16,31,549	9,13,000	...

In Bengal and Burma Salt revenue is chiefly derived from customs duties, and the charges are merely nominal. In Bombay the excise duty system chiefly prevails; in Madras the system in force hitherto was of Government manufacture, but it has been recently given up for the excise system; while under the Government of India, the customs duty is a land duty, and there is a considerable manufacture under State supervision, which requires thus a separate department, and a large preventive establishment. Comparing the cost with the nature of the work done, the Government of India Salt Department compares favourably with Madras. The percentage charges on revenue collected are 12 per cent. in Madras against 9 per cent. in the Government of India, and 6½ per cent. in Bombay. The higher rate of charges in Madras had some justifica-

Dissent by the Hon'ble Mr. Ranade.

Stamps.

tion when the excise system was not largely in vogue, and the salt sold was chiefly manufactured by Government. As latterly the direct manufacture has been more or less abandoned and the excise system introduced, the Madras establishment ought not to cost much higher than in Bombay, where the excise system has been longer in operation, or at least than the cost of the Government of India Northern India Salt Department. The Salt Department being Imperial, it does not fall within the proper scope of the Provincial contract system, but there can be no doubt that it is very largely overmanned in the higher grades, and there is a large field here for judicious economy by the substitution of native for costly European agency.

F.—DISSENT FROM THE PROPOSAL TO ABOLISH THE AGENCY SYSTEM.

In the Madras Presidency, there is a loud complaint that the private speculators in salt are very much left to themselves to fix the price of salt, and that in many places the price charged bears no proportion to the duty levied. A partial and a temporary adoption of the agency system, which was and is largely utilised by the Bombay and Northern India Salt Departments, would tend to check this evil which unnecessarily aggravates the burden of the salt monopoly. The Finance Committee in their Note on the Northern India Salt Revenue have indeed recommended the gradual curtailment of the agency system, and this policy has been to some extent already carried out, in spite of the protests of Mr. Hasley, who may be regarded as an authority on this question. I am satisfied from independent inquiries made all over India that a regular agency like this is necessary in districts not sufficiently opened up by railways, and I think it is very much wanted in several parts of Madras and Central India.

STAMPS.

G.—DISSENT FROM THE PROPOSAL TO REDUCE THE DISCOUNT PAYMENTS.

I dissent from the suggestions made in all the notes to abolish or reduce greatly the scale of discount payments. The recommendations of the Finance Committee on this head suggest the reduction of the discount allowed on the sale of general stamps, and the adoption of the system and rate of discount obtaining in the various Provinces to the North-Western Provinces scale. In that Province, no discount is allowed on the sale of court-fee stamps. It has to be noted in this connection, however, that, compared to its population, the Stamp Revenue is the largest in the Bombay Presidency, being very nearly 3 annas per head, against $1\frac{1}{2}$ anna in North-Western Provinces, $1\frac{3}{4}$ in Madras, 2 annas in Bengal, $1\frac{2}{3}$ annas in Punjab, and $1\frac{1}{4}$ annas in Central Provinces.

Thousands omitted.

	Cen. Pro.	N.-W. P.	Bombay.	Bengal.	Madras.	Punjab.	Barma.	Assam.
	₹	₹	₹	₹	₹	₹	₹	₹
Receipts	13,76	62,50	44,80	1,32,56	58,00	34,03	9,38	7,39
Expenditure	37	1,32	1,90	4,82	1,41	1,31	24	36
Population in millions .	10	43	16	66	31	20	$3\frac{3}{4}$	5

The discount system prevails more extensively in Burma, Bombay, Bengal, and Assam than in the other Provinces, and the revenues there are larger than in those Provinces, where the work is done by salaried or ex-officio agents.

Dissent by the Hon'ble Mr. Ranade.

Registration. Excise.

It is clear that salaried or ex-officio vendors have not the same inducement to develop the business as private licensees have, and in this view it may well be regarded as more profitable in the end to allow a larger discount with the certainty of its leading to larger sales, than to restrict the sales from fear of the apparently larger expenditure.

REGISTRATION.

H.—DISSENT FROM THE PROPOSAL TO MORE LARGELY UTILISE EX-OFFICIO FOR SALARIED ESTABLISHMENT.

Though the Committee have nowhere expressly condemned the system of salaried officers, their general view appears to be in favour of the system which utilises ex-officio agency for most of the work. I dissent from this view for reasons the force of which will be illustrated by the following statement :—

Thousands omitted.

	Bombay.	N.-W. P.	Bengal.	Madras.	Punjab.	Cen. Pro.	Burma.	Assam.
Receipts . . .	3,93	3,45	12,10	8,75	1,78	73	28	33
Charges . . .	2,40	1,91	6,22	6,25	98	41	16	23

Wherever ex-officio agency is largely utilised as in the North-Western Provinces and Punjab, it will be seen that registration makes slow progress, while in Bengal, Madras, and Bombay, where a special agency is entrusted with the task, the work has received large development. This circumstance has attracted the notice of the Government of India, and it has oftentimes enforced the advisability of engaging private agency on commission more largely for this purpose.

I.—DISSENT FROM THE PROPOSAL ABOUT DEFICIT OFFICES.

I dissent from the recommendations made in the Madras and Bombay Notes, that deficit offices should be abolished. The department should be judged as a whole, and not piecemeal. The closing of the deficit offices will defeat the great object of popularising the usefulness of registration, and especially, as in Bombay, where, in certain districts, registration is universal and compulsory, their abolition will be regarded as a grievous hardship.

Madras Note, Chapter VII, para. 97.
Bombay Note, Chapter VI, para. 60.

EXCISE.

J.—DISSENT FROM THE PROPOSALS REGARDING EXCISE REVENUE.

The Committee have held up the North-Western Provinces and Bombay management as a model for the departments elsewhere. I dissent from this view most strongly. The Committee's Notes look upon the question chiefly from the revenue point of view. The Abkari question has, however, another side which cannot be altogether kept out of view. In holding up the Bombay system as a model for the Department in other Provinces, there is a tendency to forget

Madras Note, Chapter VII, para. 61.
Punjab Note, Chapter III, para. 28.
Bengal Note, Chapter VIII, para. 57.

Dissent by the Hon'ble Mr. Ranade.

Provincial Rates.

the fact that the system in Bombay has excited a great deal of criticism, and formed the subject of a special inquiry, and that it has provoked a protest from the people in a way not hitherto known. These facts show that the Bombay system is not working as satisfactorily in the general interests as the returns of revenue would, taken by themselves, induce people to believe. There is one feature of the Bombay system especially which cannot be too strongly condemned on grounds higher than the revenue side of the question. The contractors for the sale of toddy, spirits, and opium and other intoxicating drugs, are by the terms of the contract made to pay a fixed price for guaranteed minimum quantities, whether they are actually able to sell the same or not. This condition facilitates inspection and checks frauds, but it encourages consumption, and commits Government officers to support the contractor's agency in a way much to be deprecated. In the Madras Note (paragraph 61) the Committee distinctly recommend the introduction in Madras of the North-Western Provinces plan of making the monopoly-holders guarantee a certain amount of consumption. I am strongly of opinion that this minimum provision is morally indefensible. There is another feature of the Bombay system the extension of which is recommended elsewhere, as in Punjab (paragraph 28), namely, the assumption of the management of Abkari revenue in Native States by the Central Department. This suggestion is also to be deprecated for higher than financial reasons, for the pressure which has been brought to bear upon the smaller Native States on this side of India to induce their rulers to consent to the transfer of management, is by no means of a sort which can be held up for imitation elsewhere. With the exception of these two points, on which I feel constrained to dissent from the views of the majority, I agree with the many practical suggestions contained in the Notes on this subject.

PROVINCIAL RATES.

K.—DISSENT FROM THE PROPOSALS TO CHARGE WARDS' ESTATES.

The only point in respect of provincial charges to which I find it necessary to refer in this place, is the suggestion made in the Bengal Note, Chapter VIII, paras. 59 and 64. Bengal Note to charge a larger share than is done at present of the administration expenses for the management of Wards' estates. These estates pay at present Rs. 1,20,000, and it is proposed to charge Rs. 1,72,000 more for the trouble to which the higher officers are put to in connection with the supervision of this management. The whole charge would, it is estimated, thus be 4 per cent. on the income of the estates. This is a rather doubtful proposal. The charge for higher officers' salaries in Bengal for collecting the land revenues, not the entire rental, is estimated to be about 14 lakhs in the Note, and as the collections are nearly 380 lakhs, this charge is $3\frac{1}{2}$ per cent. The whole land revenue charge is only $7\frac{1}{2}$ per cent. of the collections. As the whole income of the Wards' estates is about $\frac{3}{4}$ of a crore, the land revenue due from these estates (accepting $\frac{1}{4}$ as the land revenue share of the rental) would be about 20 lakhs, on which $3\frac{1}{2}$ per cent. would yield about Rs. 70,000, and the whole charge at $7\frac{1}{2}$ per cent. would be about $1\frac{1}{2}$ lakh of rupees for Wards' estates. The present yield of the rates on Wards' estates comes to about $1\frac{1}{4}$ lakh of rupees. These therefore pay nearly their full share of the charges. In Bengal there are no tahsildar establishments and no village charges. I cannot therefore accept this proposal, as it is not justified by the facts of the case.

Dissent by the Hon'ble Mr. Ranade.

Assessed Taxes. Forest Revenue.

ASSESSED TAXES.

L.—DISSENT IN REGARD TO ASSESSED TAXES.

I dissent from the estimate of the Committee that 2 per cent. charge for collections would suffice to cover the cost of collection. In respect of expenditure, the Committee's recommendations are chiefly based on the expectation that the charges incurred in the first year will not have to be repeated, and that, as a general rule, the special expenditure in future years need not greatly exceed the average sum spent on the collection of the License Tax. I think this view of the matter ignores the essential difference between a levy like the license tax with a few fixed classes of rates, and an income tax in which the assessment will have to be fixed upon a more or less detailed particular inquiry into individual incomes. The work of levy can therefore never be as cheaply done as in the case of the license tax. The estimates of receipts and charges accepted by the Committee for the several Provinces, are—

	Receipts.	Charges.
Bengal	38 lakhs	1,75,000
Assam	2 „	5,000
Madras	13 „	30,000
N.-W. Provinces	20½ „	10,000
Central Provinces	3½ „	3,000
Panjab	9 „	2,000
Bombay	27½ „	45,000
		<hr/>
TOTAL	112	2,65,000

There is no relative proportion between the receipts and charges. The expenses, 2½ lakhs, on a total yield of about 112 lakhs, represent a 2 per cent. charge which was also the scale of charges for the license tax, with its yield of 50 lakhs and charges 1½ lakhs. I think the scale will have to be fixed at 4 per cent. at least.

FOREST REVENUE.

M.—DISSENT IN THE MATTER OF FOREST CHARGES.

The Committee's Notes appear to me to take a too favourable view of forest finance, on the ground that it is a paying department, and expenditure is more or less an investment. In their Notes the Committee have generally accepted the Forest budget as it stands, only a small reduction being suggested in the allowance paid to certain grades of officers in Bombay. I dissent from this view. Properly speaking, next to the Public Works Department (67½ lakhs out of a total revenue of 94 lakhs) is perhaps the form of expenditure which admits of most easy contraction, when stress of financial necessity requires retrenchment. In no other department is the charge for establishment so heavy as in this department. Fully 25 per cent. of the gross revenue is spent upon the establishment charges. Out of the remaining 70 lakhs, full 42 lakhs are absorbed by what are called conservancy and working charges. The net but which are only a synonym for temporary establishments, remaining two-thirds receipts are thus about one-third of the gross receipts, the rest being absorbed by the Departmental Agency. Fully 15 lakhs out of the fixed charge of 25 lakhs are absorbed by the salaries of the superior officers of the Department, being a charge of 15 per cent. on the gross, and nearly 60 per cent. on the net, receipts. In some of the Provinces, notably the Government of

Dissent by the Hon'ble Mr. Ranade.

Forest Revenue.

India General, and Assam, the charges have exceeded the receipts for several years, and the excuse urged is that these charges are only preliminary investments, which will return a larger harvest in time to come. Nearly 50 per cent. of the so-called surplus is made up of non-forest receipts, as, for instance, 11 lakhs derived from grass and fodder fees of Government pastures or kurans, which have been taken over by the Forest Department from the Land Revenue authorities. These receipts are in fact only a transfer entry. Another lakh and a half are derived from the Government share of forests not managed by the Department. Making these and other deductions, the net revenue is about 12 lakhs on a gross expenditure of nearly 67 lakhs. The working and the conservancy charges in respect of timber removed by Government agency are 50 per cent. of the revenue, while in respect of nearly an equal value of timber removed by purchasers, the charges to Government are less than 7 per cent. The system of Government agency prevails largely in Bombay, North-Western Provinces, and Burma, while no difficulty is found in securing private purchasers to undertake the removal in Madras and Bengal, as also in the sparsely-peopled and backward Central Provinces and Assam.

The facts given above supply to my mind abundant proof that a thorough inquiry with a view to reconstitute the establishments, and the system of working in vogue in this Department, is necessary in the interests of economy as well as efficiency. The Bombay Note states, as a reason for not inquiring into these and other details, the fact that a separate commission of inquiry was sitting in this Presidency, but that commission is concerned not with the internal financial management of the Department, but with its external relations to the agricultural classes. The dissatisfaction caused by the Department in Bombay and Madras is an additional reason why this inquiry should be undertaken at an early date. The Department is expected to pay itself, and as the charges increase, the revenues have to be raised anyhow, which leads to complaints. The remarks made above in regard to the larger results of Forest Finance will be fully borne out by the following analysis of the principal figures, being the actuals of 1884-85 :—

Thousands omitted.

	Govt. of India.	Central Provinces.	Burma.	Assam.	Bengal.	North- West Pro- vinces.	Punjab.	Madras.	Bombay.	Total in Lakhs.
Timber removed by Gov- ernment agency—										
Receipts . . .	85	84	12,57	$\frac{1}{2}$	93	8,82	3,28	2,55	17,64	47 Lakhs.
Cost . . .	20	36	7,64	3	72	4,38	1,06	1,21	7,60	23 „
Timber removed by private agency—										
Receipts . . .	43	9,08	2,79	1,72	4,45	6,55	3,60	8,33	9,01	46 „
Cost . . .	...	1,71	8	6	27	42	52	45	41	3 $\frac{1}{2}$ „
Grass and fodder fees	7	4,23	$\frac{1}{2}$	...	6	2 $\frac{1}{2}$	2,00	50	3,39	11 „
Revenue from forests not managed by Government . . .	$\frac{1}{2}$	10	31	4	4	$\frac{1}{2}$	43	...	39	1 $\frac{3}{4}$ „
TOTAL RECEIPTS . .	1,35	10,27	6,71	1,80	5,71	12,72	7,49	11,67	27,74	94 $\frac{1}{2}$ Lakhs.
TOTAL CHARGES . .	1,95	4,94	12,12	1,96	4,43	10,19	5,51	8,59	17,63	67 $\frac{1}{2}$ „
Conservancy and work- ing charges . . .	60	3,22	9,39	94	2,09	7,12	2,54	4,04	11,98	42 Lakhs.
Establishment charges	74	1,45	2,28	83	1,65	2,55	2,45	3,86	4,20	20 „
Superior officers . .	45	97	1,20	44	81	1,76	1,38	2,05	3,36	10 $\frac{1}{2}$ „
Inferior establishment	29	43	1,00	39	87	79	1,07	1,81	1,84	9 $\frac{1}{2}$ „
Travelling allowances	11	13	35	16	27	36	42	82	1,06	3 $\frac{3}{4}$ „
Contingencies . . .	4	13	9	4	8	15	17	24	40	1 $\frac{1}{2}$ „

dissent by the Hon'ble Mr. Banade.

General Administration.

penditure over receipts, unless it is owing to unforeseen to be put a stop to. In the same manner, the system of the removal of forest produce ought to be systematically but lead to extravagance. Further, the proportion of establishment they are supposed to supervise, ought to be which obtains in all other departments. The grazing fees tures ought to be credited as before to Land Revenue, as es the result of forest management. The changes here ce the Department on a sound basis. Nobody desires not be conserved. But the charges ought certainly to e good accomplished and the work done.

GENERAL ADMINISTRATION.

OM BENGAL NOTE, CHAPTER VIII, PARA. 142.

lined to discuss the question of the amalgamation of nd Divisional Commissioners, because it involved an age. I dissent from this view, as the double agency y of officers for the same kind of work, and the arrange- adras show that a single agency does the work equally d of Revenue will, under the orders of the Secretary med into separate Commissionerships on the Bombay rangement was condemned by Mr. Rickett's Com- oses for which the Boards were at first created have . The Boards were necessary when the country had settled, and the alienation settlement had not been e created to regulate and systematise this work, and at work, their amalgamation with the Commission- ed as a matter of course. This relief is more especially e departments such as the Excise, Customs, Stamps and re were managed by the Members of the Boards, have ie Provinces under separate executive heads.

THE COMMITTEE'S PROPOSAL ABOUT THE SIND COMMISSIONERSHIP.

their Bombay Note have recommended the reduction of . the Chief Commissionership to an ordinary Com- missioner's charge. I dissent from this view, because wed in its larger bearings, and taken up along with the , the Kamaon and Chota Nagpore charges, the Agency small Chief Commissionerships of Ajmere and Coorg, an lead to no great financial savings, and, if dealt with great administrative evils. As long as Sind continues requires at its head a higher officer than an ordinary

This question ought certainly to have been excluded e Committee felt itself precluded from discussing large

RECOMMENDATION NOT TO REDUCE THE NUMBER OF BOMBAY REVENUE COMMISSIONERS.

themselves not prepared to make any recommendation on this head, because the Bombay Government was decidedly opposed to it. I dissent from this view

Dissent by the Hon'ble Mr. Ranade.

Law and Justice (excluding Jails).

of the matter. The Bombay Presidency proper was managed well enough by two Commissioners down to 1877. The stress of famine work may have justified the creation of a third charge; but with the cessation of that strain, the old order of things might without inconvenience have been reverted to. It may be noted also that the Revenue Commissioners formerly had both Revenue and Police powers, but these latter functions have now been made over to the new Inspector General of Police. This reduction of work afforded a suitable opportunity for a return to the old number. The reduction of one of the two Assistants to the Commissioners recommended by the Committee appears to be due to the rather weak defence set up for their retention. One of these Assistants is virtually a Superintendent or Registrar at the head of the office, and the Commissioners have really one Personal Assistant each. It is this assistance which enables the officers under the Bombay system to manage much larger Revenue charges than are entrusted to the six Commissioners in Punjab, and the nine Commissioners in Bengal, and the eleven Commissioners of the North-Western Provinces. If the Boards of Revenue are to be retained, then the number of Commissioners' charges in the Madras, Bengal, North-Western Provinces, and Punjab ought to admit of a reduction to assimilate them with the system which obtains in Bombay. The existence of the Executive Councils in Bombay and Madras has been urged as an excuse why one of these Provinces can dispense with a Board of Revenue and the other with Divisional Commissioners. The Executive Councils, however, cost only $1\frac{1}{4}$ lakh of rupees each, while the Commissioners and the Boards of Revenue cost at least five to six times as much.

The Committee did not inquire into the charges of the Accounts and Audit Offices or the charges paid to Presidency Banks, or the household and contract allowances paid to the Viceroy, Governors, and Lieutenant-Governors, each of which items admitted of considerable economy. Their Notes on the Secretariat establishments, for which materials were collected, were also not ready in time, and they had to confine themselves to the recommendations about the reduction of the Translator's establishments, a reduction of the charges of Provincial Legislative Councils, a reduction in tour and hill allowance expenses, and the abolition of the Military Secretaryship in Punjab. These suggestions call for no remarks.

LAW AND JUSTICE (EXCLUDING JAILS).

Q.—DISSENT FROM THE PROPOSALS ABOUT SMALL CAUSE COURTS AND PRESIDENCY MAGISTRATES.

The Committee's recommendations for economy under this head are chiefly confined to a proposal to reduce the numbers and salaries of Small Cause Court Judges and of Presidency Magistrates. I strongly dissent from both these suggestions. In regard to Mofussil Small Cause Courts, the Committee have generally assumed that in so far as the character of the work is concerned, these Courts need not be presided over by Judges better paid than the ordinary Sub-Judges of the regular Courts. It has also been assumed that the higher salaries of these posts were fixed in the first instance with the object of providing for European covenanted officers, and that as the Courts are now in many cases presided over by Native Judges, these high salaries are not necessary. Neither of these assumptions appear to be in strict accordance with the facts. The character of the work done is not fairly judged by the number of suits decided, though

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Law and Justice. Jails.

recommended by the Committee under the head of Law and Justice, excepting, of course, the reductions in the establishment charges of the three High Courts of Bengal, Madras, and Bombay. The reductions in these Courts, excepting those of the Sheriffs and their establishments, are all more or less of a prospective character. The High Court Sub-Committee indeed in their preliminary Notes were able to formulate certain proposals for the withdrawal of unimportant Civil, Criminal, and Insolvency work from the files of these High Courts on the Original Side by the establishment of special Courts with limited powers, but no great progress was made in this direction, as the Bengal High Court refused to help the Committee with its co-operation, and the Government of India, when appealed to, took the matter out of the hands of the Committee. Further discussion of these proposals had therefore to be dropped.

The question of the Law Officers' charges was also taken up by the Sub-Committee, but before any progress was made in the collection of the necessary materials, the dissolution took place, and thus no recommendations were made under this head.

LAW AND JUSTICE.

R.—DISSENT IN RESPECT OF THE PUNJAB REORGANIZATION SCHEME.

The Committee have recommended no change in the number of District Judges in Punjab, though in their Punjab Note (chapter III) they have furnished (paragraphs 57-67) a detailed account of the expensive re-organization carried out in that Province two years ago. The Committee abstained from making any proposal for the reconsideration of this scheme, though they admit that it is in some respects a more costly system than that of any other Province. I dissent from the policy of this implied acceptance of the scheme. This re-organization has added to the cost of the Judicial Service in Punjab a sum which exceeds any possible savings likely to be effected by the reductions referred to above in the pay and number of Small Cause Court Judgeships and the Presidency Magistrateships. How expensive this system is will be seen from the fact that, whereas Bengal with 45 Revenue districts has only 30 Judges, and the North-Western Provinces with 45 Revenue districts have only 23 Judges, Punjab with 31 Revenue districts has 29 Judges. These Judges are so distributed that the Divisional Judges and District Judges divide the appellate work among them, and often work in the same place side by side. It is no wonder that under such an arrangement Punjab Judges represent a charge of 5 lakhs of rupees a year, being not exceeded in the North-Western Provinces, with double the population and treble the revenue of Punjab. The system, besides being costly, does not work well, and the reorganization appears to have been carried out solely in the interests of the service. A reduction in the number of these appointments to the scale which obtains elsewhere appears to me to be a feasible economy, free from any objection of principle, and urgently called for on grounds both of fairness and efficiency.

The amalgamation of the Oudh Judicial Commissionership with the High Court at Allahabad has been resolved upon. The same policy ought to be carried out in regard to the Jhansi Judicial Commissionership and the Sind Judicial Commissionership.

JAILS.

S.—DISSENT FROM THE PROPOSAL TO REMOVE THE RESTRICTIONS ON JAIL MANUFACTURES.

The Committee in their Notes on the several Provinces have generally endorsed the reversal of the policy laid down in 1882 by Lord Ripon's Government

Dissent by the Hon'ble Mr. Ranade.

Jails. Police.

on this subject, and in the Bengal Note (chapter VIII, paragraph 182) they suggest that Government should enforce upon the larger departments the necessity of entering into long contracts with the Jail authorities, who, it is thought, are not sufficiently protected against risks if they are left to take advantage of tenders advertised, and open alike to the public and the Jail Superintendents. I dissent from this view, as the proposal obviously implies a complete abandonment of the policy of restriction, and encourages the State officials with the help of public funds to bear down all private competition. This is distinctly a move in the wrong direction, and it loses sight of the main fact that Jail confinement is meant as a discipline and a punishment, and that the Jail organization is not intended to turn the State into a great employer of slave labour in superior manufacture with the help of machinery and steam. I am aware of the fact that the imposition of the restrictions which recommended themselves to Lord Ripon's Government, has naturally increased the difficulty of finding employment for Jail convicts. The difficulty has been prominently noticed in the Punjab Note. This difficulty, however, might to a large extent be got over by lending the service of Jail convicts to Local Boards and Municipalities for their ordinary conservancy and road-making and other public works. This will not be practicable or sufficient relief in all places, but this difficulty does not by itself justify a complete reversal of the policy of restricting Jail labour to those kinds of work which impose hardship, and not utilizing it to drive steam machinery and work presses, and tents, and paper, and carpets with the help of State funds. The Central Jails would always be an Imperial charge, but if the charges of local Jails were made local by their transfer to District Boards and Municipalities, there can be no doubt that these bodies will be able to find larger work for convict labour than they are encouraged to do now.

T.—DISSENT FROM THE PROPOSAL TO REDUCE THE RATIONS.

In the Madras Note (chapter VII, paragraphs 130, 131) the Committee have made certain remarks which deprecate the higher charges for rations which obtain in that Province as compared with the North-Western Provinces scale, and economy is suggested in this direction. These North-Western Provinces rates are undoubtedly too low, as it is not possible even in the North-Western Provinces, with their better climate and low prices, to support a hard-labour convict on one and a quarter rupee per month. Two to three rupees per man seems a moderate charge. The experiment of a smaller and cheaper ration by the diminution in weight and the substitution of millet for rice, was tried in Madras with disastrous results, and I think these comparisons with the North-Western Provinces scale should not be carried too far.

POLICE.

U.—DISSENT IN RESPECT OF SUBORDINATE POLICE CHARGES.

The Committee have been able to suggest important reductions in the superior staff of Police officers by re-grading the service on the principle of allowing one Police Superintendent for each revenue district, with an assistant for a specially large district, and a 20 per cent. complement to fill up vacancies. The Committee in their Punjab Note have given certain statistics of the subordinate Police force (chapter III, paragraph 89), but refrained from making any suggestions for economy, because the variations in numbers and cost might be affected by facts and circumstances not within their cognizance. The following statement, however, will show that these variations are to some extent not satisfac-

Dissent by the Hon'ble Mr. Ranade.

Police.

torily accounted for by any possible differences between the conditions of the several Provinces : —

District Executive Police.

	Central Provinces.	Burma.	Assam.	Bengal.	North-West Provinces.	Punjab.	Madras.	Bombay.
Inspector-General and Deputies	1— 37,700	1—36,000	1—36,000	4— 1,15,000	4— 15,500	6— 1,40,000	5— 2,01,600	1— 45,000
District Superintendent	18 } 1,74,600	18 } 20,251	18 } 52,600	13 } 4,85,400	15 } 4,10,000	31 } 3,52,800	21 } 3,13,000	22 } 2,37,000
Assistant Superintendent	11 }	21 }	21 }	31 }	9 }	21 }	20 }	10 }
Inspectors & Chief Constables—								
Numbers	251	175	324	1,083	873	568	410	330
Cost	1,77,560	1,93,333	1,22,000	8,80,000	7,14,000	4,10,000	5,39,926	3,03,000
Head Constables & Constables—								
Numbers	7,906	7,042	1,924	21,447	21,101	12,921	20,034	16,681
Cost	6,46,619	12,63,156	1,62,500	18,76,000	18,90,000	12,30,000	20,40,000	18,40,000
European Constables	6— 4,320	...	...	3— 3,120	8— 7,600	...	52— 22,350	12— 12,000
Mounted Police	191— 50,624	...	...	32— 9,500	630— 1,70,000	121— 1,21,000	...	1,242— 1,07,000
Establishment	37,228	1,320	21,200	59,785	51,000	4,204	48,000	1,17,000
Supplies	1,02,000	1,97,105	31,600	1,85,317	2,92,300	91,053	2,01,809	3,79,000
Contingencies	61,500	1,46,249	25,120	2,02,800	1,39,700	1,58,066	1,80,000	2,60,000
Railway Police	40,000	...	...	...	66,000	35,300	...	83,000
Private Police	...	...	...	...	40,000	...	...	...
Presidency Police	...	...	...	2,91,500	...	...	1,56,410	5,49,000
Village Police	...	...	...	1,13,000	21,73,000	...	...	8,17,000
Special or Frontier Police	...	...	4,90,000	1,95,000	...	12,000	28,600	...
TOTAL	11,03,600	23,70,000	9,74,000	47,47,000	63,85,000	33,52,000	33,50,000	52,74,000

The superintendence charge is relatively to the work done smallest in Bombay, Central Provinces, and Burma, and highest in Madras, North-Western Provinces, Bengal, and Punjab. The charges in connection with District and Assistant Superintendents are 12 per cent. in Central Provinces, 9 per cent. in Burma, $5\frac{1}{2}$ per cent. in Assam, 12 per cent. in Bengal, 7 per cent. in North-Western Provinces, 16 per cent. in Punjab, 8 per cent. in Madras, and $4\frac{1}{2}$ per cent. in Bombay. As regards the grade of Inspectors and Chief Constables, the higher grade of native police officers, the charges are 12 per cent. in Central Provinces, 8 per cent. in Burma, 14 per cent. in Assam, nearly 18 per cent. in Bengal, 17 per cent. in North-Western Provinces, 14 per cent. in Madras, and 6 per cent. in Bombay. As regards the body of the force—head constables and constables—the charges are 45 per cent. in Central Provinces, 48 per cent. in Burma, 33 per cent. in Assam, excluding the Frontier Police, 40 per cent. in Bengal, 46 per cent. in North-Western Provinces, excluding the Village Police 38 per cent. in Punjab, nearly 50 per cent. in Madras, and 48 per cent. in Bombay, excluding Presidency and Village Police charges. It will thus be seen from the analysis that the proportion and cost of European superior officers is highest in Punjab, Central Provinces, and Bengal, and lowest in Bombay. The proportion of subordinate native officers is highest in Bengal, Assam, and Madras, and lowest in Bombay. The strength of the force of police sepoys absorbs about 50 per cent. of the total expenditure. Compared to the population of the several Provinces, Bombay has one sepoy for 1,000 of the population, Bengal has one sepoy for 3,000, North-Western Provinces one sepoy for 2,000, Burma one sepoy for 500, and Central Provinces and Madras one for 700 or 800 of the population, respectively. The Mounted Police force is also unnecessarily high in Bombay, while Madras has the lowest number of European constables.

These differences are not satisfactorily accounted for by local variations; and there is ample scope for economy and better reorganization in most of these matters.

Dissent by the Hon'ble Mr. Ranade.

Police. Education.

V.—DISSENT FROM THE PROPOSAL TO HASTEN THE TRANSFER OF POLICE FOR EQUIVALENT CHARGES.

The only point of principle involved in the Committee's recommendations on this head is the suggestion that the transfer of educational, medical and other charges to the Municipalities on account of Police charges withdrawn under the local self-government Resolution of 1882, should be completely and speedily carried out. It appears that very little has been done in this way by the Bengal Government which has taken upon itself nearly 5 lakhs of Police expenditure, and the relief in other ways has been only 2 lakhs. In Punjab and Central Provinces nothing has been done in this direction. In the North-Western Provinces, Assam, and Burma, the transfer of charges has been more or less complete. It has been carried out to some extent in Bombay, while nothing has been done in this direction in Madras. I have always been of opinion that it was a mistake from the first to sever the connection of Municipalities with their Police charges. In the interests of the success of the local self-government scheme itself, the connection of Municipal bodies with these Police charges should have been maintained under reasonable regulations. The Village Police organizations should be utilised more largely than it appears to be in any of the Provinces, except the North-Western Provinces and Bombay. These Village Police are really under ordinary circumstances the only force available for the maintenance of internal tranquillity. To these should be added the Town Police, and the whole charge and financial management should be in the hands of Local Boards and Municipal Corporations.

EDUCATION.

W.—DISSENT FROM THE PROPOSAL TO DISOWN PLEDGES GIVEN.

I dissent from the suggestion made towards the end of the paragraph that the pledge given by the Punjab Government in connection with the Punjab Chief College building grant should not be admitted as a ground of a claim for additional aid from the Imperial Government. The political considerations which induced the Punjab Government to make the pledge are chiefly of an Imperial character, and dictated by the general policy of the Government of India in regard to the advancement of Native Chiefs. Even if these considerations were only of a Provincial character, yet the pledge would be binding, because, though the contracts are renewable every five years, the Local Government could not well have anticipated that the renewal would not ensure to the local authorities full liberty of action in a matter of high policy like this. The question of the binding character of these pledges given by Provincial authorities during the term of the contract has a large bearing, and the temporary necessity of retrenchment should not influence the Government of India in disposing of this question on any technical grounds.

X.—DISSENT FROM THE PROPOSAL TO ENHANCE FEES.

I dissent from the suggestion in paragraph 97 that the fees ought certainly to be enhanced in the future. The policy of doubling the fees can only lead to a diminution of the total income, and throw back the growth of the Province for a longer period.

Dissent by the Hon'ble Mr. Ranade.

Education.

Y.—DISSENT FROM THE PROPOSAL TO WITHDRAW STATE HELP FROM THE BENARES COLLEGE.

I dissent most strongly from the recommendation contained in paragraph 41 that the Benares College should be turned into an aided institution like the Agra College. I do not think the Provincial Sub-Committee had before them the full materials for forming a judgment on the point of the status of this College. The Benares College was started in the first instance as a Sanscrit College by the Maharaja of Benares, when he was a semi-independent Ruler, nearly one hundred years ago. Subsequently the management of the Maharaja's zemindaries was taken up by Government and a fixed payment was settled upon him, after providing for all charges, and in these charges a sum of R20,000 was deducted in respect of the Benares College. The College was thus as purely a private endowment as any in the land, maintained out of the surplus revenues of the zemindari. If less than R20,000 are spent upon the College, the saving will have to be made over to the Maharaja, and cannot be utilised for other purposes. I state these facts after referring to the authorities of the College, who have placed at my disposal copies of official documents which show that so far back as 1791, Lord Cornwallis' Government sanctioned the grant of R20,000 out of the surplus revenue, and the Government of India pledged itself that, even if there was no surplus saving in any year, the whole charge should fall upon Government. As first intended, the Benares College was started for the advancement of learning and the preservation and cultivation of Indian science and divinity. When the Muir College was started in Allahabad in 1871, a proposal was made to provide necessary funds for the new College by reducing one of the existing Colleges to the status of a High School, but even then the Government of India, in their letter to the North-Western Provinces Government on the subject, distinctly added the proviso that "whatever may be done, His Excellency the Governor General in Council is of opinion that no steps should be taken to impair in any way the efficiency of the Benares College, to the maintenance of which the Government is pledged." These pledges explain the hesitation shown by the North-Western Provinces Government in accepting the suggestions of the Finance Committee on this point, and I think the pledges successively given should be maintained intact by the Government of India. It is true that there has been a departure from the original standard of studies, and the English Department of the College has gained at the expense of the Sanscrit, but this arrangement does not affect the status of the College. In some respects the Benares College is more efficient than the Allahabad College. The number of students is increasing, and the first year's class in the Benares College is reported to be more largely attended than the corresponding class at Allahabad. The fee collections amount to R2,300 and for its usefulness the charges in connection with it are much smaller than those of any other College in India. I trust that under these circumstances the Committee's suggestions on this point will not be accepted by the Government of India.

Z.—DISSENT FROM THE SUGGESTIONS ABOUT THE SALARIES OF NATIVE INSPECTORS.

In this, and in other places the Committee have assumed that the services of Native Inspectors of Schools could be obtained on R300 or R400 to supply the place of the European Inspectors on R1,250 or R1,500. I dissent

Madras Note, Chapter VII, para.

160.

Bengal Note, Chapter VIII, para.

228.

Dissent by the Hon'ble Mr. Ranade.

Education.

from the view thus taken. The $\frac{2}{3}$ rule should be the measure of reduction in the case of the substitution of Native for European agency. Below this limit the salaries will fail to attract natives with suitable qualifications. In the Madras Note, paragraph 160, the $\frac{2}{3}$ limit is accepted by the Committee as the basis of its calculations of possible savings. The same remark applies to the suggestion made in the Bengal Note, paragraph 228, that the Native Inspectors of Schools should be mostly members of the subordinate service.

AA.—DISSENT FROM THE SUGGESTION ABOUT THE WITHDRAWAL OF STATE AID FROM HIGHER EDUCATION.

I dissent from the position laid down in this paragraph that higher education has taken root in the Madras Presidency, and that it is hardly in need of direct Government support. This is too broadly stated. The education Commission did not lay down any such position. In the Madras Presidency, as in other Provinces, one State institution for each of the large lingual and ethnical territorial divisions is a necessity, and State help cannot be dispensed with.

BB.—DISSENT FROM THE PROPOSAL TO CONVERT BENGAL COLLEGES INTO AIDED INSTITUTIONS.

I dissent from the proposals made in regard to the transfer or absorption of the Colleges referred to in this paragraph. The Sanserit School and the Calcutta Madrassa are special institutions, which do not admit of amalgamation with the Presidency College. In this matter I think the safest line to follow is to adhere strictly to the recommendations of the Education Commission.

CC.—DISSENT FROM THE DISPROPORTIONATE REDUCTIONS IN THE EDUCATIONAL GRANT OF THE BOMBAY PRESIDENCY.

I have recorded a separate dissent from the Bombay Note, which may be embodied with this general dissent.—(See Chapter VI, Appendix B.)

I shall only remark in this place that I dissent from the inequality of the reductions in educational charges as recommended by the Committee for the several Provinces. It appears that no reductions are proposed in Burma and Assam, and also in Punjab (excepting the building grant to the Rajkumar College, which in its nature is not a recurring charge). In the larger charges I find that Rs30,000 are reduced in the Central Provinces, Rs66,000 in North-Western Provinces, and the same amount in Bengal, and Rs80,000 in Madras, while in the Bombay Presidency the reductions come up to Rs2,67,000, and this inequality is increased by the over-estimate of possible receipts by Rs35,000. The total reductions in all the other Provinces thus fall short of the reductions proposed in the single Presidency of Bombay. I think there is no principle on which such disproportionate reductions in a single Presidency can be justified, especially when that Presidency happens to be the Province where the fees and endowments realise the largest amount both absolutely and in proportion to the population who pay them, and it is also the Presidency moreover in which primary education, admittedly a charge on State funds, shows the largest percentage of attendance.

Dissent by the Hon'ble Mr. Ranade.

Public Works.

DD.—DISSENT FROM THE DISPROPORTIONATE REDUCTIONS IN THE GRANT FOR CIVIL WORKS.

Lastly, I dissent from the recommendation which cuts down the Bombay Public Works grant for original civil works from a total of 46 lakhs to 27 lakhs. I did not protest against this reduction when the Bombay Note was first prepared, under the impression that the reduction was rendered temporarily necessary by the exigencies of Imperial finance, and I waited to see how far similar reductions were suggested in the Civil Works grants for the other Provinces. I find, however, that in no other Province has any similar reduction been made. The reduction in the Bengal Budget comes only to 2 lakhs, in the North-Western Provinces it is about a lakh, in the Central Provinces and Burma there is no decrease. In fact the reductions in all the Provinces taken together come up to a much smaller figure than has been proposed for Bombay. This unequal treatment cannot but cripple the prosperity of Bombay, and prevent the growth of that feeling of self-dependence which alone makes economy possible. It virtually amounts to a fine for carefully husbanding Provincial resources. Bombay yields the largest revenue per head under all the principal heads of Receipts, and Bombay has considerable claims to be treated with special indulgence, for it has no irrigation works of any importance which can be compared in extent or usefulness with those in Madras, Bengal, North-Western Provinces, and Punjab. The expenditure on new railways is also likely to cease soon in Bombay with the completion of the Western Deccan line. Owing to its being exposed to the dangers of periodical famine and failure of rain, it requires to be opened out on all sides, and the curtailing of the Public Works expenditure on such a scale will injuriously handicap it in its competition with other Provinces. Bombay may have been treated with exceptional indulgence in 1882. That is no reason why it should be treated with special severity now. I endorse in this matter the protest of the Local members, and, as I understand, of the Local Government also.

POONA,

The 16th February, 1887.

M. G. RANADE.

NOTE BY PRESIDENT.

This paper by the Hon'ble M. G. Ranade goes somewhat beyond the limits to which a dissent is ordinarily confined, inasmuch as in certain cases it criticises expenditure on which the Finance Committee did not touch, whether from want of time or considering them to be beyond their purview, or from other causes; and in others it expresses agreement with the Committee's recommendations,—not dissent. In several instances errors have crept in which might have been corrected had the dissent been written before the Committee dissolved. I have, however, thought it my duty to submit the dissent to the Government of India just as it was sent in, and without any criticism of its details.

The 21st February 1887.

C. A. ELLIOTT.

Extract from Sir W. Hunter's Dissent.

EXTRACT FROM SIR W. HUNTER'S DISSSENT TO THE EDUCATIONAL PROPOSALS IN THE FINANCE COMMITTEE'S REPORT AND FROM SIR CHARLES ELLIOTT'S MEMORANDUM THEREON.

[NOTE.—Certain paragraphs, and parts of paragraphs, in both the following papers, have been omitted in publication, as they relate exclusively to questions regarding the procedure of the Committee, which have been separately dealt with by the Government.]

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THE NORTH-WESTERN PROVINCES.—At page 22 of the Committee's Report* a saving of R46,000 is shown under Education in the North-Western Provinces, and the

* Paragraph 22, Chapter II.

reason is assigned in one word, "over-estimate." More fully stated, this means

† See paragraph 37 of Note by the Travelling Members on the future Contract with the North-Western Provinces.

that the Travelling Members supposed the actual expenditure will not be equal to the estimated expenditure.† But, as a matter of fact, the Educational Department in the North-Western Provinces is at present below its full strength; the Principalship of the Muir College remained vacant for several months; the grant-in-aid system to European schools, introduced under orders of the Government of India, has not yet been worked up to; and many of the recommendations made by the Education Commission, and approved by the Governor General in Council, still remain to be carried out.

The Education Commission laid stress on two facts: namely, that the North-Western Provinces and Oudh ranked lowest among the Provinces of British India in regard to the percentage allotted to educational expenditure from the provincial revenues, and in regard to the percentage of boys attending school. It found that this latter state of things arose, in part, from insufficient contributions from the public funds. I believe that a saving, amounting to something more than one-half of the R46,000 retrenched by the Travelling Members, may be effected, chiefly in the Book Depot. But I am convinced that if the subject had been discussed by the Committee, with the whole facts before it, and with the previous sanction of the Government of India brought to its notice, the proposal to retrench R46,000, would not have found a place in its report. The same remark applies to certain other of the suggestions regarding education in the North-Western Provinces—Provinces in which the educational allotments from the revenues already stand at low-water mark.

BENGAL.—The educational proposals of the Travelling Members regarding Bengal are of a more serious character, for they would impair the efficiency of the whole structure. Broadly speaking, they are based upon the reduction of the inspecting and higher teaching staff, together with suggestions that the State should sever itself from some of the existing Government Colleges. I believe that if these changes were carried out in the spirit indicated by the Travelling Members, the result would be most disastrous to education in Bengal. But, fortunately, the principal proposals are based upon a misconception of the facts, and cease to have any foundation when examined by the light of the actual state of things.

The first paragraph† of the Travelling Members propose certain economies in the inspecting staff in Bengal, on the ground, they say, "we think that inspection, in the higher grades, is rather overdone." As a matter of fact, the Education Commission found that the proportionate cost of inspection to

† Sections 227, 228, 229 of their Note on the future Provincial Contract of Bengal.

Extract from Sir W. Hunter's Dissent.

the total (not provincial) expenditure on education was lower in Bengal than in any other Province. Indeed the insufficiency of inspection in Bengal was frequently insisted upon by Members of the Commission from other Provinces, as throwing doubt upon the reality of the whole educational system in Bengal. The impression left on my own mind, by a lengthy examination of the facts, was that inspection in Bengal is, as a whole, insufficient; and that, while it may be regarded as just adequate in the higher class of schools, it is quite inadequate in regard to the great mass of the work to be tested and supervised. Indeed so insufficient is the subordinate inspecting staff in Bengal, that (I am informed) the Department has had to throw over 15,000 schools during the past year by relinquishing the attempt at their inspection and control.

The Education Commission laid down certain methods by which inspection might, in every Province of India, be rendered more efficient and its cost reduced. Among these methods the gradual substitution of Native for European inspecting agency found a prominent place. I believe that no one is more anxious to work on these lines than the Director of Public Instruction in Bengal. But a close examination of the question showed that it is not so much one of immediate saving as of efficiency and eventual economy, and that any attempt to suddenly force on the change would be disastrous. What the Education Commission desired was gradually to substitute an indigenous growth for an imported one. The measures proposed by the Travelling Members of the Finance Committee would pluck up the existing growth by the roots.

The same remark applies to their proposal that the State should relinquish its direct connection with the Government Colleges. They support these proposals by the double authority of the Education Commission, and of a more recent statement by the Director of Public Instruction in Bengal. But the scheme, as it emerges from the hands of the Travelling Members, is based on a complete misconception of what the Education Commission proposed, and of what the Director of Public Instruction more recently stated. The Education Commission desired that Government should gradually make over higher education to private and aided effort. But it clearly realised and carefully set forth the limitations under which this could be effected: and specifically mentioned the Colleges in Bengal which the Government might thus relinquish. The "well-considered proposals" of the Commission on this head were emphatically accepted by the Government of India.

The proposal of the Travelling Members is very different. They begin by saying that there are at present thirteen colleges in Bengal, and in the course of three short paragraphs they cut these down to three.* "The Director of Public Instruction," they say, "informs us that in his opinion only four colleges need be kept up—the Presidency, Dacca, Patna, and Cuttack. We think that the Government might even go further, and decide that a Government College is not needed at Dacca, where an unaided private institution already exists and flourishes." This "opinion" of the Director of Public Instruction is so entirely opposed to all that he has said and written during many years, that I thought it my duty to ascertain from Sir Alfred Croft whether it correctly states what he expressed. He says that it does not. That he was never asked whether reduction was advisable at all; but only as to the "irreducible minimum." The proposal to leave only three out of the thirteen Government Colleges in Bengal has no more the support of the Director of Public Instruction than it has the authority of the Education Commission. If enforced

* Note on the future Provincial Contract with Bengal, paragraphs 230 to 232.

Extract from Sir W. Hunter's Dissent.

by the Government of India, it will raise an outcry of broken pledges, endowments diverted, and fundamental orders of the Secretary of State contravened, such as no Local Government should be called upon to face. The change, even if spread over ten years, would be a complete bouleversement of the system of Public Instruction founded on Lord Halifax's Despatch; and re-affirmed, after a searching enquiry, and after more than a quarter of a century's practical experience, by the Education Commission, the Government of India, and the Secretary of State.

In regard to colleges as in regard to inspection, the Education Commission devised means for the gradual replacement of an old growth by a new. In both cases the method of the Travelling Members of the Finance Committee is to pluck up the old growth by its roots. They would do so, in both cases, in unacquaintance with the facts, and under a misapprehension as to the financial

† Paragraph 234 of their Note on the future Provincial Contracts with Bengal.

results. In their proposed list† of superior officers required to carry on the work of Public Instruction in Bengal, they make no provision for men on sick leave or furlough. They also over-estimate the rate of vacancies and retirements. They base their calculations on the experience of a recent brief period during which the casualties in the superior educational staff in Bengal were altogether exceptional, a period which has now replenished that staff with young men engaged for thirty years of service.

BOMBAY.—The educational proposals of the Travelling Members in regard to Bombay involve breaches of faith with private schools and public bodies; and the forfeiture of distinct pledges recently given by the Local Government under the sanction of the Governor General in Council. They also imperil the sources of that private liberality and local effort on which the future of Public Instruction in India depends. The Bombay authorities inform me that the proposals of the Travelling Members are based upon an initial error in the calculation of the receipts; and at least in one case, on a sum arbitrarily cut out of the expenditure without any reason assigned. But as the calculations

‡ Paragraph 117 of Note by the Travelling Members on the future Provincial Contract with Bombay.

of the Travelling Members have never come under discussion by the Committee in its corporate capacity, and as they did not keep proceedings of their separate meetings, I refrain from expressing an opinion on these points. In regard, however, to the graver questions involved,‡ any one acquainted with the system of Public Instruction in Bombay is, unfortunately, able to come to clear conclusions.

With reference to technical education and drawing, the declarations of the Government of India itself prompted the measures which the Travelling Members now assail. The Bombay Government, acting on those declarations, published certain promises of aid to private effort in the *Government Gazette*, and sent copies of those promises to every Local and Municipal Board and private school manager throughout the Presidency. The Travelling Members, after some comment on this "novel expenditure," sweep away the whole grant of Rs50,000, with the exception of Rs1,500 "for instruction in carpentry" in a single school. A sum of Rs12,000 is cut from the grant to Municipal schools—a grant which, after full enquiry, was deliberately pledged as a means of calling forth local effort; and the withdrawal of which would compel the Bombay Government to break their promise, and to strike schools off the grant-in-aid list. The Bombay authorities state that the Travelling Members of the Finance Committee seem to have remarked on the Municipal school-grants "in ignorance of the standing practice of the Educational Department throughout India."

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The increase in the grant for Payment by Results (from which the Travelling Members retrench ₹28,000) is not due, as they erroneously state, to increased liberality in the rules, but to the increased efficiency and growing numbers of aided schools—the very results which the system was designed to produce. The only increase in liberality during recent years has been to colleges. The Government of India insisted on the change, and the grant to colleges comes under an item which the Travelling Members have passed. The retrenchment of ₹95,000 from the Building grant involves not only a breach of faith to private and local effort in the past, but it will assuredly put an effectual check to such effort in the future. Here again the Travelling Members seem to have acted in unacquaintance with the facts. “This is a grant,” they lightly remark, “which can be severely retrenched without any

material loss of efficiency.”* The Bombay Government, on the other hand, declare that the large sum of 3½ lakhs “has been collected on the Government promise of a grant-in-aid and belongs to hundreds of schools throughout the country.” The Bombay authorities go so far as to state that if this retrenchment is insisted on, “the springs of public liberality will be dried up,” and that the Bombay Government “must repudiate the responsibility of finding funds under Lord Canning’s Minute.”

I regard, as even more disastrous, the proposal of the Travelling Members in regard to the grant to Local Funds for educational purposes. No subject was more carefully considered by the Education Commission; and, after a searching local enquiry in every Presidency of India, that Commission deliberately based the future of education upon a mechanism of local boards. But without looking to the destruction in the future, I earnestly beg the consideration of the Government of India to the immediate effect, as stated by the Bombay authorities, of tampering with this grant. “If the Government take back their grant, it will be necessary to close, perhaps, 1,000 village schools, and the development of primary education which the” [Travelling Members of the Finance] “Committee recommend in paragraph 116 will be impossible.”† In regard to their proposals respecting collegiate instruction in Northern Bombay, the Bombay Government remark: “The Government cannot break its word to the two Provinces of Sind and Gujarat without dishonour.”

The foregoing paragraphs suffice to show the serious ills which individual proposals of the Travelling Members would work in the Bombay Presidency.

As regards their aggregate educational retrenchment of ₹2,67,000,‡ the Bombay authorities thus sum up: “The maximum saving which can be effected is ₹78,000 only; and even this sum cannot be given up without checking the progress of many important undertakings which His Excellency in Council has sanctioned in accordance with the desire expressed by the Government of India.”

I have now examined the educational proposals of the Travelling Members of the Finance Committee in three Provinces; and I gladly cease from a most distasteful task. I have constrained myself to discharge that task, because I feel convinced that if the Government of India enforces those and similar proposals, it will act upon a misapprehension of the facts, and it will give rise

* Paragraph 117 of their Bombay Note, sub-section (f).

† The words in the Travelling Members’ Note on the future Provincial Contract with Bombay (paragraph 116) are: “In view of the opinion expressed by the Government of India that extensions of State support should be mainly devoted to primary education.”

‡ As stated in paragraph 34 of the Report of the Finance Committee, Chapter II, p. 28.

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to loud and well-founded complaints. I beg, therefore, to repeat that the educational proposals of the Travelling Members were never submitted for consideration to the Finance Committee in its corporate capacity. They contravene the educational policy of the last thirty-three years; a policy authoritatively laid down for India by the Home Government, enjoined by the Governor General in Council on the Provincial Governments, and by the Provincial Governments slowly matured and carried into effect. They do so in the teeth of the recent recommendations of the Educational Commission—recommendations deliberately adopted by the Government of India and approved of by the Secretary of State. They put an end to all consistency in the educational policy alike of the Central and of the Provincial Governments. They lightly resolve on measures which have already been carefully considered and definitely rejected, apparently in ignorance that those measures had ever been previously raised. They break the promises by which the Provincial Governments, acting under the sanction, and indeed under the express orders, of the Governor General in Council, have called forth private liberality and local effort in time past; and they dry up the springs of private liberality and local effort in the future.

W. W. HUNTER.

The 28th February 1887.

EXTRACT FROM SIR C. ELLIOTT'S REPLY, No. 140, DATED THE 9TH MARCH 1887.

13. In case it should be convenient to the Government of India to know what answer my colleagues and myself would give to these criticisms, if we were called upon to make any answer, I venture to add a few remarks on this branch of the subject.

14. In the case of the North-Western Provinces we proposed no reduction whatever. We took the budget estimate as it stood, shewed that in some cases it was based on too high a calculation of expenditure (not making allowance for absences on leave, and so forth), and would probably exceed the actuals by Rs46,000; and we recommended that the revised estimate, which would probably give the true expenditure of the year, should be accepted as the basis of the future contract. Sir W. Hunter apparently thinks that the Committee ought to have made provision for increased expenditure, on the ground that education is backward in the North-Western Provinces, and that some of the recommendations of the Education Commission had not been carried out. To have done this would have been to act in contravention of the instructions we received and the principle on which we treated every Department; even where a Provincial Government intimated to us that it was about to apply for an increase we have answered that they must first convince the Supreme Government of the necessity of the expenditure and then obtain a special grant for the purpose, as we were not authorised to provide one. In this case the North-Western Provinces Government made no such intimation, and it would have been out of place for us to have given it more than it asked for.

* * * * *

16. With regard to Bengal the Committee's view was (1) that the staff of highly paid English Inspectors of Schools was unnecessarily strong, and that cheaper Native Inspectors should be substituted, and (2) that a considerable number of Government Colleges should be converted into Aided Colleges; and arrangements were suggested by which preparation should be made for carrying out such a conversion and substitution gradually during the next ten years.

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These proposals were * * * * * in accordance with the recommendations of the Education Commission and the orders of the Government of India. The Lieutenant-Governor has already converted two and desires immediately to convert three more of the Government Colleges into Aided Colleges; the Committee proposed, within the next ten years, to add five more to this number. It is open to Sir W. Hunter to object that ten years is too short a time or that the reduction goes too far; but it is hardly reasonable to write of our proposal as an ignorant attempt to "pluck up the old growth by the roots."

17. With reference to Sir W. Hunter's assertion that this Committee misrepresented the views of the Director of Public Instruction, it is sufficient to say that his own version of that officer's view does not bear out the charge. The Committee did not write that the Director wished to keep up only four Government Colleges, but that "in his opinion only four colleges need be kept up." These words were taken down by the President in his notes of Mr. Croft's examination, and the draft of the section was afterwards shown to Mr. Croft and approved by him. If I understand the matter aright, all that Sir A. Croft now desires to add in explanation is, that this opinion was given in answer to the question, "if reductions are to be made" (an assumption which underlies the whole work of the Finance Committee) "where should they stop?" and that he held this to be the furthest limit to which it could be pushed.

18. With regard to Bombay, Sir W. Hunter's chief objection is that the reduction proposed by the Committee "involves the forfeiture of distinct pledges recently given by the Local Government under the sanction of the Governor General in Council." The description is incorrect in two ways: the pledges referred to were not given under the sanction of the Governor General in Council (as is expressly stated in paragraph 39 of Resolution No. 467, dated 28th January 1887), and our proposals did not involve the forfeiture of them. We declined to make any special provision of money to meet them, but we suggested that the Local Government should, if it chose, provide for them by transfers or by reductions elsewhere, and we offered some suggestions as to how this might be done. Sir W. Hunter seems not to have read or understood our own description of the grounds on which we acted, and admits that his charges are based on the interpretation put on our proposals "by the Bombay authorities." Our Note contained the following passages:—

"We question whether, if the Bombay Government, in the face of an impending financial enquiry, and in the knowledge that its income must be reduced, chooses to burden itself with a novel expenditure of this kind, however useful such expenditure may be, it ought to look to the Government of India to enable it to make provision for such expenditure."

And again—

"If it be argued that the Provincial Government has given pledges for larger expenditure on grants-in-aid and Technical Education, and that these pledges must be provided for, we think it may be urged on that Government that the cost of such provision ought not to fall on the general tax-payer, but should be met by reductions elsewhere, or by the levy of an additional cess on the people who will profit by the expenditure."

* * * * *

20. * * * * * It may perhaps be permitted to me to add that whatever reductions we proposed were made neither lightly, nor in ignorance of any facts or opinions which we were able to collect, but under a strong sense of responsibility, and in the belief that they would not injuriously affect the efficiency of the Educational Departments in the various Provinces.

With these remarks I have the honour to leave the matter in the hands of the Government of India.

Punjab Provincial Accounts, 1882-1887.

APPENDIX I.

PROVINCIAL RECEIPTS AND EXPENDITURE DURING TERM OF CONTRACT—PUNJAB.

[N.B.—The figures in this Note represent thousands of Rupees, thus—85.94 means Rs5,94,000.]

The following table shows in abstract the receipts and expenditure (actual or estimated) of the Local Government for the term of the current contract; and compares the account for the whole period with the assignment modified where necessary by subsequent orders :—

	RECEIPTS.								EXPENDITURE.							
	ASSIGNMENT.		1882-83.	1883-84.	1884-85.	1885-86 (Revised.)	1886-87 (Budget.)	+ or —	ASSIGNMENT.		1882-83.	1883-84.	1884-85.	1885-86 (Revised.)	1886-87 (Budget.)	+ or —
	Original.	In last year.							Original	In last year.						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Land Revenue—																
Percentage including Record-room Receipts.	85.94	85.94	81.93	81.32	85.74	88.45	88.83	+2.65	...	...	...	...	...	...	...	...
Recurring adjustments.	...	3.16	...	...	1.03	2.70	3.16	...	...	...	...	...	...	...	...	...
Non-recurring adjustments.	...	...	...	50	1.50	2.19	...	...	...	...	...	...	...	...	...	...
Inter-provincial adjustments.	50	50	93	1.14	1.28	1.44	1.43	+3.76	...	...	...	...	...	...	...	...
TOTAL	86.44	89.60	85.96	85.96	89.55	91.78	93.42	+6.41	24.43	26.23	24.40	25.10	24.48	26.56	27.88	+2.93
Other Revenue Heads	35.22	36.34	35.04	36.97	35.91	37.21	38.46	+5.31								
Civil Departments	11.97	16.60	11.45	16.01	15.15	15.21	14.73	-7.17	82.93	89.90	82.62	88.74	89.09	89.45	92.76	+2.50
Miscellaneous	3.09	3.09	2.94	2.96	2.60	2.95	2.20	-1.80	10.59	10.59	10.28	10.56	10.64	11.48	11.74	+1.72
Post Office (net)	...	...	...	...	...	...	...	...	59	59	57	57	27	41	47	-66
State Railways—																
Net Expenditure charged against Revenue.	...	...	...	...	...	...	...	...	4	4	34	1.11	1.56	1.50	1.45	+5.76
Construction	...	...	...	...	...	...	...	...	...	...	6.22	...	...	...	...	+6.22
Irrigation (net)	4	4	11	42	7	14	28	+82	...	...	...	...	...	...	...	...
Civil Buildings & Roads	6.08	6.08	6.25	6.13	5.85	5.78	5.42	-97	23.79	23.93	30.42	27.32	28.11	25.23	27.53	+15.35
Contributions	2.70	2.70	2.76	2.34	41	1.68	1.56	-4.75	...	...	...	...	...	...	...	...
TOTAL	1.45.54	1.54.45	1.44.51	1.50.79	1.49.54	1.57.75	1.56.07	-2.15	1.42.37	1.51.28	1.54.85	1.53.40	1.54.15	1.54.63	1.61.83	+33.87
Opening or Closing Balance.	...	...	29.93	19.59	16.98	12.37	15.49	...	...	...	19.59	16.98	12.37	15.49	9.73	...
GRAND TOTAL	...	...	1.74.44	1.70.38	1.66.52	1.70.12	1.71.56	...	...	...	1.74.44	1.70.38	1.66.52	1.70.12	1.71.56	...
Surplus (+) or deficit (-).	+3.17	+3.17	-10.31	-2.61	-4.61	+3.12	-5.76	...	...	...	...	...	...	...	...	...

N. B.—The + and — in columns 9 and 17 indicate the increase or decrease in the 5 years' actuals (including revised estimate for 1885-86 and budget estimate for 1886-87), as compared with 5 times the Average Assignment.

2. The total Revenue of the five years has amounted to Rs7,58,66 against

Total Receipts and Expenditure an assignment of Rs7,60,81; and the expenditure compared with assignment.

has amounted to Rs7,78,86 against an assignment of Rs7,44,99. There was a surplus of more than 3 lakhs a year, or about 16 lakhs for the five years on the assignment, and, after absorbing this, the net result is an expenditure of 20 lakhs in all, out of the balances which have been thus reduced from 30 to 10 lakhs. Speaking generally, it may be said that the Local Government has appropriated the surplus on the assignment for expenditure on Civil Buildings and Roads; so that all other increases of expenditure have been paid for out of the balance in hand at the beginning of the term.

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3. This method of making the comparison excludes from the increases shown on the face of the statement any Revenue and Expenditure which have been brought on to the Accounts on both sides since the contract was framed, and also any additional expenditure, which has been met from funds specially granted by the Government of India, in excess of the original assignment, and included in the statement as recurring or non-recurring adjustments. It must be borne in mind, therefore, that in addition to the increases of expenditure met from the Provincial Revenue or balances, additional expenditure has also been incurred for the benefit of the Province, which may be summarised as follows:—

	Whole term.	Last year.
Reorganisation of Commission	5,49	2,27
Improvement of Kanungo Establishment	90	67
Government Advocate's Establishment	24	10
Public Works	4,00	...
	<hr/> 10,63	<hr/> 3,04

In other words, the Government of India has, during the term of the contract, increased the assignment by a sum which in the last year amounts to just over 3 lakhs.

4. For the first three years the Revenue declined, but during the last two years an improvement has occurred or is anticipated; and but for the fact that the Local Government has materially reduced the contributions levied from Local Funds (the gradual reduction and eventual abolition of which was contemplated at the revision of the contract) there would have been a net increase of Revenue for the whole term of about 2½ lakhs, or more than ½ lakh a year.

5. Land Revenue fell off during the first two years, but regained its former amount in the third year, and shows a tendency to rise: for the last two years the percentage is about 3 lakhs above the contract figure.

6. Under other Revenue heads there has so far been but little improvement, save under Forests (2,26), which, notwithstanding fluctuations, has shown a tendency to increase. The other heads have so far been nearly stationary; but there has been some small improvement under Stamps (45) and Excise (1,27), the whole of the former and a large proportion of the latter being due to an anticipated increase during the current year.

7. Under Civil Departments the falling off has been entirely under Law and Justice (9,51), the income under which has declined largely and continuously both under Jail Receipts (6,16) and other heads (3,35). The fall under other heads is chiefly owing to a decrease in the amount of fines.

8. Under Miscellaneous there has been 20 less realised on account of Interest each year, owing to the Local Government having sold its Nazul investment in 1881-82. The Provincial Revenues have really obtained credit for this interest, as the amount of the investment was paid as a contribution to Imperial, and the interest payable on the capital cost of the Amritsar-Pathankot Railway was reduced by this amount. Stationery and Printing Receipts have fallen off, especially in the last year, owing to the abolition of the Lahore Jail Press.

9. There has been a slight fall in the receipts under Civil Buildings and Roads which has been nearly recouped by a rise in the Irrigation Receipts.

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10. On the whole the serious fall under the head of Law and Justice and the reduction of the Local Contributions have swallowed up the small increases that have accrued under other heads.

11. On the expenditure side there has been a general rise. Under Revenue heads the rise is mainly under Land Revenue (2,26), and is due to the improvement of the position of Tahsildars (the cost of which the Local Government undertook to bear at the revision of the contract), and to the Provincial share of the extra Kanungo Establishment. There is also a rise under Excise of 40 in the last year, which is not explained.

12. Under Civil Departments the largest increase is under Education (4,45), which has throughout been above the assignment; the figure for 1886-87 is specially high, being swelled by temporary expenditure in connection with the Punjab Chiefs College. Under Law and Justice there has been a decrease (—2,45); this has been chiefly under Jails, the decrease under which has been partially absorbed by increases under other heads due to the improvement of the position of Munsifs, the creation of a grade of Subordinate Judges, and the appointment of an extra High Court Judge; the Budget figure for 1886-87 shows an increase, of which part is possibly due to an over-estimate.

13. Under the Miscellaneous heads superannuation charges have risen steadily (2,77), and the excess over the assignment in the current year will probably be nearly a lakh.

14. In addition to the above increases of Civil Expenditure, the Local Government has spent on the average more than 3 lakhs over the assignment figure on Roads and Buildings, and has had to bear an increasing net charge for its State Railway, averaging on the whole term nearly $1\frac{1}{4}$ lakhs a year, and amounting for each of the last three years to about $1\frac{1}{2}$ lakhs.

It has also expended more than 6 lakhs out of its balances on Railway construction.

15. The expenditure on Civil Buildings and Roads during the term of the contract is considerably above that of the previous contract. The average expenditure of the last four years of the previous contract was 21,44; (a) and for the five years of the present term it rises to 26,92; (b) or by about $5\frac{1}{2}$ lakhs.

16. The estimate for 1886-87 shows a deficit of about 6 lakhs; but it seems doubtful whether this can be accepted as an estimate of normal receipts and expenditure. There is, as already observed, a special increase of 40 under Excise and of 1,48 under Education, and there is also an excess of 4,30 in the Public Works expenditure as compared with 1885-86 (revised).

On the other hand, it must be remembered that under several of the principal Revenue heads the estimate of Revenue for this year is considerably higher than has yet been reached.

1878-79 (a)	21,83	1882-83 (b)	30,42	} Excluding special expenditure on Murree-Kohala Road.
1879-80	19,93	1883-84	26,82	
1880-81	19,05	1884-85	26,61	
1881-82	24,05	1885-86	23,23	
	4) 85,76	1886-87	27,53	
Average of four years	21,44	5) 131,61		
		Average of five years	26,92	

The 18th May 1886.

Punjab Provincial Accounts, 1882—1887.

Provincial Receipts—Punjab—1882-83 to 1886-87.

	ASSIGNMENT FOR COMPARISON WITH					1882-83.	1883-84.	1884-85.	1885-86 (Revised).	1886-87 (Budget).
	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.					
	R	R	R	R	R	R	R	R	R	R
LAND REVENUE—										
Percentage	85,51	85,51	85,51	85,51	85,51	84,53	84,11	85,53	88,24	88,62
Recurring Adjustments—										
Record Room	(a) 43	43	43	43	43	45(a)	21	21	21	21
Government Advocate . . . . .	...	...	4	10	10	...	...	4	10	10
Forest Public Works . . . . .	...	...	2	2	2	...	...	2	2	2
Reorganisation . . . . .	...	...	95	2,27	2,27	...	...	95	2,27	2,27
Kanungo Establishment . . . . .	...	...	2	21	67	...	...	2	21	67
Forts Miehni and Shabkadar . . . . .	...	...	...	10	10	...	...	...	10	10
Non-Recurring Adjustments—										
Murree-Kohala Road . . . . .	...	50	1,50	2,00	...	...	50	1,50	2,00	...
District and Village Officers . . . . .	...	...	...	19	...	...	...	...	19	...
Inter-Provincial Adjustments	(b) 50	50	50	50	50	98	1,14	1,28	1,44	1,43
Total Land Revenue	86,44	86,04	88,97	91,33	89,60	85,96(j)	85,96(p)	89,55(s)	94,78(u)	93,42
STAMPS	16,73	...	...	16,73	16,73	16,26	17,02	16,93	16,88	17,02
EXCISE	(b) 6,60	...	...	6,50	6,50	6,58	6,71	6,81	6,60	7,08
PROVINCIAL RATES	5,00	...	...	(k) 6,06	(k) 6,12	5,03	5,01	5,15	6,22	6,34
ASSESSED TAXES	2,35	...	...	2,35	2,35	2,51	2,81	2,39	2,43	2,43
FOREST	3,75	...	...	3,75	3,75	3,83	4,55	3,75	4,18	4,70
REGISTRATION	(c) 89	...	...	89	89	83(c)	87	88	90	89
Total Principal Heads of Revenue	35,22	35,22	35,22	36,28	36,34	35,04	36,97	35,91	37,21	38,46
POST OFFICE	34	34	34	34	34	32	30	22	27	25
LAW AND JUSTICE—										
COURTS	3,62	3,62	...	...	...	3,26	2,75	2,75	2,94	3,05
JAILS	5,04	5,04	...	...	...	4,52	4,21	3,44	3,41	3,42
POLICE—										
Contribution for Railway Police	(d) 45	45	...	...	...	38	36	36	28	...
Contribution for Cantonment and Municipal Police . . . . .	...	(g) 5,08	...	...	5,08	...	5,20	5,08	5,01	4,89
Other Receipts	1,30	1,30	...	...	1,30	1,47	1,22	1,23	1,46	1,24
EDUCATION	82	82	...	...	82	95	1,14	1,19	1,02	92
MEDICAL	(e) 35	(e) 35	...	...	35	35(k)	29	32	32	46
SCIENTIFIC, &c.	39	39	...	...	39	52	81	78	77	(v) 75
Total Civil Departments	11,97	17,05	17,05	17,05	16,60	11,45	16,01	15,15	15,21	14,73
INTEREST	28	...	...	...	...	7	7	7	8	8
SUPERANNUATION	34	...	...	...	...	43	40	37	30	30
STATIONERY	94	...	...	...	...	81	89	75	77	39
MISCELLANEOUS	(f) 1,53	...	...	...	...	1,63(l)	(q) 1,60	1,41	1,80	1,43
Total Miscellaneous	3,09	3,09	3,09	3,09	3,09	2,94	2,96	2,60	2,95	2,20
STATE RAILWAYS . . . . .	...	...	...	...	...	...	...	2,00	2,85	2,95
IRRIGATION	20	...	...	...	...	26	56	43	44	44
CIVIL BUILDINGS AND ROADS	(f) 6,08	...	...	...	...	6,25	6,13	5,85	5,78	5,12
Total Public Works	6,28	6,28	6,28	6,28	6,28	6,51	6,69	8,28	9,07	8,81
CONTRIBUTIONS	(e) 2,70	2,70	2,70	2,70	2,70	2,76(k)	2,34	41	1,68	(v) 1,56
Total Receipts	1,46,04	1,51,62	1,53,65	1,57,07	1,54,95	1,44,98(m)	1,51,23(n)	1,52,12(t)	1,61,17	1,59,43
OPENING BALANCE . . . . .	...	...	...	...	...	29,93(n)	19,59	16,98	12,37	15,49
GRAND TOTAL . . . . .	...	...	...	...	...	1,74,91	1,70,82	1,69,10	1,73,54	1,74,92
Surplus (+) or deficit (—)	+3,17	+3,17	+3,17	+3,17	+3,17	—10,34	—2,61	—4,61	+3,12	—5,76

Punjab Provincial Accounts, 1882—1887.

Provincial Expenditure—Punjab—1882-83 to 1886-87.

	ASSIGNMENT FOR COMPARISON WITH					1882-83.	1883-84.	1884-85.	1885-86 (Revised).	1886-87 (Budget).
	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.					
	R	R	R	R	R	R	R	R	R	R
REFUNDS	46A	...	46	46	46	59	64	49	46	46
LAND REVENUE—										
<i>Extra Kanungos, &c., borne</i>										
<i>by Imperial.</i>	...	...	2	40	67	} 19,26 G	19,42	19,45	20,01	20,81
<i>Reorganisation</i>	...	...	1	3	3					
<i>Other charges</i>	19,11B	...	19,11	19,11	19,11					
STAMPS	67	...	67	67	67	61	66	63	66	67
EXCISE	28	...	28	28	28	29	30	29	29	69
PROVINCIAL RATES	39	...	39	1,45 F	1,51 F	40	39	34	1,39	1,45
ASSESSED TAXES	1	...	1	1	1	1	1	1	1	1
FOREST	3,00	...	2,98	2,98	2,98	2,80	3,25	2,79	3,25	3,30
REGISTRATION	51B	...	51	51	51	44G	43	48	49	49
Total Principal Heads of Revenue	24,43	24,43	24,44	25,90	26,23	24,40	25,10	24,48	26,56	27,88
POST OFFICE	93	93	93	93	93	89	87	49	68	72
GENERAL ADMINISTRATION—										
<i>Reorganisation</i>	...	...	—54	—1,29	—1,29	} 11,15	11,19	10,51	9,67	9,70
<i>Other charges</i>	10,83	10,83	10,83	10,83	10,83					
LAW AND JUSTICE—										
<i>Government Advocate Es-</i>										
<i>tablishment</i>	...	...	4	10	10	} 31,85	32,04	32,79	34,52	36,46
<i>Reorganisation</i>	...	...	1,48	3,53	3,53					
<i>Other Expenditure (includ-</i>	32,26	32,26	32,26	32,26	32,26					
<i>ing refunds)</i>										
POLICE—										
<i>Railway</i>	61 C	61 C	61	61	16	51H	51M	55	35	...
<i>Cantonment and Municipal</i>	...	5,08 E	5,08	5,08	5,08	...	5,20M	5,08	5,01	4,89
<i>Other Expenditure (includ-</i>	26,47 D	26,47 D	26,47	26,47	26,47	26,31 H	26,09 M	26,44	26,12	26,24
<i>ing refunds)</i>										
EDUCATION (INCLUDING RE-										
FUND)	6,54	6,54	6,54	6,54	6,54	6,69	7,13	7,14	7,40	8,78
MEDICAL	5,50D	5,50	5,50	5,50	5,50	5,44 I	5,55 N	5,60	5,39	5,74
SCIENTIFIC, &c.	72	72	72	72	72	67	1,03	98	99	95
Total Civil Departments	82,93	88,01	88,99	90,35	89,90	82,62	88,74	89,09	89,45	92,76
SUPERANNUATION	5,24	...	...	...	...	5,40	5,67	5,88	6,01	6,01
STATIONERY	4,24	...	...	...	...	4,09	3,97	4,12	4,39	4,17
MISCELLANEOUS (INCLUDING										
REFUNDS).	1,11	...	...	...	...	79	92	64	1,08	1,56
Total Miscellaneous	10,59	10,59	10,59	10,59	10,59	10,28	10,56	10,64	11,48	11,74
STATE RAILWAYS—										
<i>Working Expenses</i>	...	...	...	...	...	...	...	1,75	2,37	2,40
<i>Interest</i>	4	4	4	4	4	34	1,11	1,81	1,98	2,00
<i>Construction</i>	...	...	...	...	...	6,22 J	O	...	...	...
IRRIGATION	16	16	16	16	16	15	14	36	30	16
CIVIL BUILDINGS AND ROADS—										
<i>Murree-Kohala Road</i>	...	50	1,50	2,00	...	...	50 P	1,50	2,00	...
<i>Forts Michni, &c.</i>	...	...	...	10	10	...	...	...	...	...
<i>Forest Public Works</i>	...	...	4	4	4	...	...	...	...	...
<i>Other Expenditure (includ-</i>	23,79	23,79	23,79	23,79	23,79	30,42	26,82 P	26,61	23,23	27,53
<i>ing refunds)</i>										
Total Public Works	23,99	24,49	25,53	26,13	24,13	37,13	28,57	32,03	29,88	32,09
Total Expenditure	1,42,87	1,48,45	1,50,48	1,53,90	1,51,78	1,55,32 K	1,53,84 Q	1,56,73 S	1,58,05	1,65,19
CLOSING BALANCE . . . . .	...	...	...	...	...	19,59 L	16,98 R	12,37 T	15,49 U	9,73 U
GRAND TOTAL . . . . .	...	...	...	...	...	1,74,91	1,70,82	1,69,10	1,73,54	1,74,92

N.B.—For the Notes see overleaf.

Punjab Provincial Accounts, 1882—1887.

Notes explaining Punjab Provincial Accounts.

	Assignment.	1882-83.
(a) Brought from Registration Receipts	23	30
Added for extra Registration Charges owing to transfer to Land Revenue	15	15
of total Record Room Charges	43	45
(b) 50 transferred from Excise to Inter-Provincial Adjustments, as the Shahjahanpur rum receipts enter the accounts through this head.		
(c) See note (a.)		
(d) Brought to credit with corresponding charge on the expenditure side, after the Provincial Contract was framed. The figure 45 is taken from the Account sent by the Local Government.		
(e) 19 transferred to Medical from Contributions.		
(f) 44 transferred from Civil Buildings, &c., to Miscellaneous on account of Khyber tolls, afterwards brought to credit under the latter head.		
(g) 5,08 added as in note (d) to both sides.		
(h) 1,06 and 1,12 added on account of new receipts and charges, not passed through Accounts at time of contract.		
Figure given here		85,96
Deduct—		
(i) Contribution for Railways shown as expenditure	5,92	
(ii) Special Recovery of charges taken from balance as not belonging to the year	14	
(iii) Record Room Receipts	45	
		6,51
Account figure		79,45
(k) 19 transferred from Contributions to Medical, see note (e).		
(l) Includes 56 for Khyber tolls realised in this year, though brought to credit of Provincial by transfer through Land Revenue only in 1884-85.		
(m) Total as given in Accounts		1,38,21
Add for (j) (i)		5,92
for (j) (ii)		14
for Khyber tolls		56
for excess Registration Receipts and Charges		15
	Amount shown here	1,44,98
(n) Opening Balance in Accounts		29,63
Add Khyber tolls for period preceding term of contract		44
		30,07
Deduct for (j) (ii)		14
	Amount shown here	29,93
(p) Figure in Accounts		89,06
Deduct—		
(i) Special grant for Simla Kachheri excluded from both sides	1,60	
(ii) Portion of special grant for Murree-Kohala Road spent in 1884-85 and so shown in that year	1,50	
		3,10
	Amount shown here	85,96
(q) Includes 76 for Khyber tolls realised in this year, &c., as in (l).		
(r) Total as in Accounts		1,53,57
Add for (q)		76
		1,54,33
Deduct as in (p)		3,10
	Amount shown here	1,51,23
(s) Figure as given in Accounts		90,33
Add—		
(i) Portion of special grant for Murree-Kohala Road spent in this year		1,50
		91,83
Deduct—		
(ii) Khyber Tolls already brought to account in this statement	1,76	
(iii) Excess grant (to be adjusted in 1885-86) for reorganisation, &c.	52	
		2,28
	Amount shown here	89,55
(t) Total as in Accounts		1,52,90
Net deductions as in (s)		78
	Amount shown here	1,52,12
(u) Figure in Estimates		94,87
Deduct—		
Grant for Secret Police		9
	Amount shown here	94,78
(v) Figure in Estimates		
Add Local figures, which represent an amount hitherto credited to Provincial but now by orders of Local Government transferred to Local; in this Account they have been kept as Provincial and a corresponding reduction of the Contribution from Local has been made	Scientific, &c. 41	Contributions. 1,90
	+ 34	- 34
	75	1,56

Punjab Provincial Accounts, 1882—1887.

A The refunds against Law and Justice, Police, Education, Miscellaneous and Civil Buildings, &c., are shown against those heads in the Accounts, and have therefore been transferred in the Assignment.

B 14,5 transferred from Registration, where only half the charge is debited to Provincial; the whole charge of 29 is shown against Land Revenue, because so shown in the Accounts, and the requisite addition has been made on the Receipt side.

C 45 added as on Receipt side; see note (d).

D 21 transferred to Medical as in Local Government's Account from Police.

E See note (g).

F See note (h).

G As in note B, the amount being 15.

H Figure in Accounts 27,07

Deduct—

(i) transferred to Medical 20½ — 25

(ii) Secret Police charges refunded by Imperial in 1885-86 6½ — 25

26,82

I See H (i).

J Figure in Accounts 31

(i) Add—Contribution for Railways 5,92

0,23

(ii) Deduct 1 entered as a minus charge in 1883-84 1

Amount shown here 6,22

K Total as in Accounts 1,49,31

Add—as in J net 5,91

as in G 15

1,55,37

Deduct for H (ii) 5

Amount shown here 1,55,32

L Balance as per Accounts 18,53

Add—

(i) for increase of opening balance 41

(ii) for Khyber tolls not brought to Account till 1884-85 56

(iii) For minus entry under Railway capital taken in Accounts in 1883-84 1

(iv) For Secret Police charges not refunded till 1885-86 5

19,59

M Figure in Accounts 32,04

Deduct—

(i) Transferred to Medical 20½ — 24

(ii) Secret Police charges as in H (ii) 4½ — 24

Amount shown here 31,80

N See M (i).

O-1 omitted, see J (ii).

P Figure in Accounts 25,60

Deduct—

Expenditure on Simla Kacheri 1,23

Amount shown here 27,32

Q Total in Accounts 1,55,15

Deduct for P 1,25½ — 1,32

for M (ii) 4½ — 1,32

1,53,83

Add for O 1

1,53,84

R Balance as per Accounts 16,96

Add—Additions to closing balance of 1882-83 L Nos. (i), (ii) and (iv) 1,05

Secret Police charges of 1883-84 4

Khyber tolls, 1883-84 76

18,81

Deduct—

Difference between (p) (i) and P i.e. 1,60—1,25=32½

For (p) (ii) 1,50½ — 1,82

16,99

S Figure in Accounts reduced by 32 expenditure on Simla Kacheri.

T Balance as per Accounts 12,80

Add—for Secret Police 9

12,89

Deduct—

Excess grant to be adjusted in 1885-86 52

12,37

U Balance as per Estimates 1885-86. 15,73

Deduct—Excess grant of 52 in 1884-85 16,01

52 — 15,49

9,73

North-Western Provinces Provincial Accounts, 1882—1887.

APPENDIX II.

PROVINCIAL RECEIPTS AND EXPENDITURE DURING TERM OF CONTRACT,
NORTH-WESTERN PROVINCES.

[N.B.—The figures in this Note represent thousands of Rupees,—thus 4.60 means R4,60,000.]

The following Table shows in abstract the receipts and expenditure (actual or estimated) of the Local Government for the term of the current contract:—

General abstract.

	RECEIPTS.								EXPENDITURE.							
	ASSIGNMENT.		1882-83.	1883-84.	1884-85.	1885-86 (Revised).	1886-87 (Budget).	+ or —	ASSIGNMENT.		1882-83.	1883-84.	1884-85.	1885-86 (Revised).	1886-87 (Budget).	+ or —
	Original.	In last year.							Original.	In last year.						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Land Revenue—																
Wholly Provincial	4.50	4.50	5.46	6.45	5.22	5.70	5.66	+5.99	...	...	...	...	...	...	...	...
Percentage including Record Room Receipts	1.47.00	1.47.00	1.46.18	1.46.35	1.47.73	1.46.86	1.47.12	—76	...	...	...	...	...	...	...	...
Recurring Adjustments	...	—1.08	—1.03	—1.03	—1.08	—99	—1.03	...	...	...	...	...	...	...	...	...
Non-recurring Adjustments	...	...	—11	+1.50	+25	...	...	...	...	...	...	...	...	...	...	...
Inter-Provincial Adjustments	—1.05	—1.05	—1.04	—71	—1.41	—1.47	—1.09	—50	...	...	...	...	...	...	...	...
Total	1.50.45	1.49.37	1.49.46	1.52.53	1.50.71	1.50.10	1.50.61	+4.73	...	...	...	...	...	...	...	...
Other Revenue Heads	78.20	78.20	82.97	83.31	83.76	83.81	90.42	+49.33	80.78	80.63	71.45	82.72	82.63	83.81	81.06	+1.22
Civil Departments	15.63	15.63	14.33	15.52	13.85	13.80	15.05	—5.51	1.20.51	1.19.60	1.12.91	1.13.61	1.17.09	1.17.65	1.19.31	—17.42
Miscellaneous	3.61	3.61	3.81	5.75	3.53	3.51	3.35	+1.96	17.18	17.18	17.92	18.61	20.11	20.09	21.09	+11.95
State Railways—																
Net Revenue or Expenditure	...	...	12	1.12	1.08	1.05	2.31	+5.68	86	86	...	...	...	...	...	—1.30
Capital	...	...	...	...	...	...	...	...	...	...	21.01	35.93	17.82	17.19	12.19	+1.01.22
Subsidized Railways	...	...	...	...	...	...	...	...	...	...	4	76	81	43	40	+2.41
Irrigation—																
Net Revenue or Expenditure	3.61	3.61	8.49	8.53	14.21	...	...	+13.03	...	...	...	...	...	5.06	5.00	+10.06
Capital Expenditure	...	...	...	...	...	...	...	...	...	...	12.63	12.42	...	...	...	+25.05
Famine Relief	...	...	...	...	...	...	...	...	...	...	11	...	...	...	...	+11
Civil Buildings and Roads	9.44	9.44	12.74	10.51	8.89	9.65	9.00	+3.59	29.35	29.33	31.61	31.95	30.17	28.83	28.63	+3.06
Contributions (net)	...	...	...	...	...	...	...	...	7.12	7.12	12.50	21.99	19.31	18.92	18.66	+55.78
Total	2.60.97	2.59.89	2.72.00	2.82.30	2.81.04	2.67.98	2.70.71	+72.78	2.55.80	2.51.72	2.60.21	3.18.07	2.87.91	2.91.98	2.89.37	+1.92.17
Opening or Closing Balance	...	...	1.13.54	1.05.30	69.53	62.63	38.63	...	...	...	1.05.30	69.53	62.63	38.63	20.00	...
GRAND TOTAL	...	...	3.85.51	3.87.60	3.50.57	3.30.61	3.09.37	...	...	...	3.85.51	3.87.60	3.50.57	3.30.61	3.09.37	...
Surplus (+) or deficit (—)	+5.17	+5.17	—8.21	—35.77	—6.00	—21.00	—18.63	...	...	...	...	...	...	...	...	...

N.B.—The + or — in columns 9 and 17 shows the increase or decrease in the total receipts or expenditure of the 5 years (including Revised Estimate for 1885-86 and Budget Estimate for 1886-87) as compared with 5 times the Average Assignment.

2. The total receipts for the period amount to 13,74,06, against an assignment of 13,01,28, an increase of 72,78; and the expenditure to 14,67,60 against an assignment of 12,75,43, an increase of 1,92,17, above the assignment and an excess of R93,54 above the actual receipts. The Province commenced with the large balance of 1,13,54, which, it is estimated, will be

North-Western Provinces Provincial Accounts, 1882—1887.

reduced to 20,00 by the end of the term; a large portion of the expenditure has therefore been met by drawing on the balances.

3. The principal features of the Account are the increase of income under the Principal Heads of Revenue, excluding Land Revenue, the conversion of the net expenditure on Railways to a net revenue, the great fluctuations under the head of Irrigation, the large capital expenditure on Railways and Canals, and the increased payments under the head of Contributions.

4. Save under the wholly Provincial heads (Tarai and Babar receipts, &c.), Land Revenue has been practically stationary, the variations from year to year being comparatively small.

5. Under the other Principal Revenue Heads there has been a large increase under Stamps, Excise, and Forests. The increase under the last of these heads is real, the expenditure having increased but slightly and the grant for the last year being below the assignment figure. The figures for these three heads have been :—

	Assign- ment.	1882-83.	1883-84.	1884-85.	1885-86. (Revised).	1886-87. (Budget).	Increase on the 5 years' re- ceipts as com- pared with assignment.
Stamps . . .	28,50	29,13	30,03	30,29	31,00	31,25	9,20
Excise . . .	20,20	23,76	25,95	26,22	26,40	27,00	23,33
Forests (net) . .	40	83	2,85	2,76	2,51	3,12	10,33

6. Under Civil Departments there has been a fall, principally under Law and Justice and Education. Under the former head the fall is chiefly under Jail receipts, and would have been greater but for the inclusion of "Kurk Amin" fees in the Accounts as a Provincial Receipt. Under Education the fall is only nominal and is due to the transfer of certain School fees to Local Funds. The estimate for the last year of the term under this head includes about 88 on account of the sale proceeds of the Muir College Building Fund Securities, and does not therefore represent the normal amount for the year.

7. Under Miscellaneous there is a noticeable fall under Stationery, chiefly in respect of press receipts, the receipts from Jail Presses having nearly disappeared.

8. The details of the net Railway receipts are shown below :—

	Assign- ment.	1882-83.	1883-84.	1884-85.	1885-86. (Revised).	1886-87. (Budget).
Gross Receipts . . .	5,15	5,92	6,12	9,85	10,79	11,82
Working Expenses . . .	4,32	4,07	3,80	7,26	8,54	8,31
Interest—						
Payable to Imperial . . .	1,18	1,20	1,20	1,51	1,20	1,20
On Debentures . . .	51	53	...	...	...	...
	6,01	5,80	5,00	8,77	9,74	9,51

The Gross Receipts and the Working Expenses have increased considerably owing to the opening of new railways. The Interest charge has remained stationary only because the Local Government was able out of its large balances to provide the money that

North-Western Provinces Provincial Accounts, 1882-1887.

was required for Capital expenditure; but for this, and for the unexplained cessation of the charge for Debenture Interest, the account would have shown a deficit.

9. Irrigation Receipts show great fluctuations. The receipts and expenditure for each year under the heads of Major and Minor Works are given below :—

	Assignment.	1882-83.	1883-84.	1884-85.	1885-86 (Revised).	1886-87. (Budget).
<i>Major Works—</i>						
Receipts	45,40	52,83	53,50	61,97	42,89	44,85
Working Expenses	16,75	18,79	19,44	22,05	21,66	22,69
Interest	24,43	24,71	24,71	24,93	25,37	25,92
	41,18	43,50	44,15	46,98	47,03	48,61
Net Receipts	4,22	9,33	9,35	14,99	—4,14	—3,76
<i>Minor Works—</i>						
Receipts	1,17	1,31	1,35	1,48	1,33	1,39
Expenditure	1,75	2,15	2,17	2,26	2,25	2,63
Net Expenditure	58	84	82	78	92	1,24
Total Net Receipts (+) or Expenditure (—)	+3,64	+8,49	+8,53	+14,21	—5,06	—5,00

Under Minor Works the expenditure has been rising much faster than the receipts; but these works are comparatively unimportant. Under Major Works the gross receipts rose rapidly in the first three years, the receipts for 1884-85 being nearly 62,00, against the assignment figure of 45,40. The fall, however, in 1885-86 has been very great, and the gross receipts for the last two years do not come up to the contract figure. The Working Expenses and Interest charges have meantime risen, so that the surplus of 4½ lakhs in the assignment, which rose to 15 lakhs in 1884-85, is converted in the last two years of the term to a deficit of about 4 lakhs in each year. The receipts in 1884-85 were exceptional; but those for 1885-86 and 1886-87 are much below the average of previous years. This is said to be partly due to good rainfall superseding the necessity for artificial irrigation, and partly to the failure of the Nadrai Aqueduct—Lower Ganges Canal—as until the new works are completed, only about half the supply can be passed down from the Head Works at Narora.

The Irrigation Revenue is not, however, expected to remain at its present low figure. The Irrigation Department, North-Western Provinces, has furnished a statement which gives the following as the estimated Revenue for the next five years:—

	₹
1887-88	—1,67,352
1888-89	—30,228
1889-90	+4,87,772
1890-91	+6,61,772
1891-92	+9,45,772
	+18,97,736

which gives an average for the five years of 3,80 a year.

10. The receipts from Civil Buildings and Roads have fluctuated, but the whole brought in considerably more than was estimated in the assignment. The principal item under this head consists of the Ferry Receipts, which have declined slightly,

North-Western Provinces Provincial Accounts, 1882—1887.

partly owing to extended railway communication. The chief fluctuations have, however, occurred in the receipts brought to credit by Public Works officers, the main head of which is the receipts from the Public Works workshops at Roorkee. It is understood that there is a proposal before Government to make this workshop over to a private Company.

11. On the charge side under the Revenue Heads the increase is almost entirely under the head of Land Revenue, and under that head it is mainly due to increased charges for Collectors and their Establishments.

Principal Revenue Heads—Charges.

12. The decrease under Civil Departments is nominal, and is due to the transfer of certain charges under Education and Medical to Local Funds; the sums placed at the disposal of District Funds to meet these charges accounting in part for the increase under the head of Contributions (payments). Excluding these two heads, there has been an increase. Under General Administration, there is an increase of 3,02 for the whole term; the increase in the last year is 55, the principal heads of increase being the Staff and Household of the Lieutenant-Governor (12), Tour Charges (36), and Civil Secretariats (13). Under Law and Justice there is an increase of 2,99 for the whole term; the increase is chiefly in the last three years, where it falls mainly under Civil and Sessions Courts (1,16), and Criminal Courts (1,06), and is due for the most part to an increase, under the former head, of charges for the service of Process, and, under the latter, of establishments. Jails show a considerable decrease, which amounts for the last year to 99, and is due partly to the abolition of one Central Jail, and partly to smaller charges for manufactures. Under Police the increase (5,42) is apparently due to the assumption of Local and Municipal charges by the Government under this head. Under Scientific and Minor Departments, there is an increase (2,33) chiefly on account of Experimental Factories (Tea-shops, Rich and Glass experiments, Well experiments and Workshops, North India Manufactures), and Public Exhibitions and Fairs. The charge for Provincial Statistics, which includes the cost of the Agricultural Department, has also risen.

13. There has been a rise under Superannuation Charges, and under Stationery and Printing (chiefly in Stationery supplied from Central Stores).

Miscellaneous—Charges.

14. The Local Government has had to meet a new charge on account of the Subsidised Railway (Rohilkund-Kumaon), which now amounts to 40 per annum.

Subsidised Railway.

15. Under Civil Buildings and Roads the expenditure has been tolerably uniform, and has not been much in excess of the figure taken in the assignment.

Civil Buildings, &c.—Charges.

16. The expenditure under Contributions has increased very largely. Part of this, as already explained, is only a transfer of charges formerly falling under the head of Medical and Education. But a large portion of it indicates a really increased charge, and may be set down as additional expenditure on Public Works.

Contributions.

17. The Local Government has during the term spent 1,29,27 on Capital charges for Railways (1,04,22) and Canals (25,05), and practically nearly the whole of its available balance and surplus have been thus expended.

Capital Expenditure on Railways and Canals.

The 28th May 1886.

North-Western Provinces Provincial Accounts, 1882-1887.

Provincial Receipts—North-Western Provinces—1882-83 to 1886-87.

	ASSIGNMENT.		1882-83.	1883-84.	1884-85.	1885-86 (Revised).	1886-87 (Budget).
	Original.	In last year.					
LAND REVENUE— <i>Tarai and Babar and other Provincial Revenue</i>	4,50	4,50	5,46	6,45	5,22 I	5,70	5,66
<i>Percentage</i>	1,46,12 A	1,46,12	1,45,22 A	1,45,16	1,46,54	1,45,67	1,46,14
<i>Record Room Receipts</i>	88 A	88	96 A	1,19	1,19	1,19	98
<i>Recurring Adjust- ments—</i>							
Forest Public Works . . . . .	...	+5	...	...	+5	+14	+5
Great Deccan Road . . . . .	...	—12	—12	—12	—12	—12	—12
Railway Police . . . . .	...	—91	—91	—91	—91	—91	—91
Forest School . . . . .	...	—10	...	...	—10	—10	—10
<i>Non-Recurring Adjust- ments—</i>							
Survey charges . . . . .	...	...	—11	...	...	...	...
Grant for construction of Allahabad Free School . . . . .	...	...	...	+1,50	...	...	...
Ancient Monuments . . . . .	...	...	...	...	+5	...	...
Encumbered Estates, Jhansi . . . . .	...	...	...	...	+20	...	...
<i>Inter-Provincial Ad- justments</i>	—1,05 M	—1,05	—1,04	—74	—1,41	—1,47	—1,09
Total Land Revenue	1,50,45	1,49,37	1,49,46 B	1,52,53 G	1,50,71 K	1,50,10 K	1,50,61 K
STAMPS	28,50	28,50	29,13	30,03	30,29	31,00	31,25
EXCISE	20,20 M	20,20	23,76	25,95	26,22	26,40	27,00
PROVINCIAL RATES	16,70	16,70	17,36	16,62	16,61	16,69	16,69
ASSESSED TAXES	6,10	6,10	5,91	5,98	6,07	6,00	6,00
FORESTS	4,97	4,97	5,07	8,06	7,86	8,00	7,75
REGISTRATION	1,73 A	1,73	1,74 A	1,70	1,71	1,75	1,73
Total other Provin- cial Reve. Heads	78,20	78,20	82,97	88,34	88,76	89,84	90,42
LAW AND { COURTS	4,63	4,63	4,91	5,86	4,95	5,20	4,85
JUSTICE { JAILS	4,84	4,84	4,03	3,89	3,59	3,60	4,15
POLICE	3,90	3,90	4,11	4,26	3,79	3,62	3,66
EDUCATION	1,11	1,11	46	32	52	51	1,30
MEDICAL	9	9	1	5	7	6	6
SCIENTIFIC, &c.	1,06	1,06	86	1,14	94	81	1,03
Total Civil Depart- ments	15,63	15,63	14,38	15,52	13,86	13,80	15,05
INTEREST	14	14	17	17	7	7	7
SUPERANNUATION	28	28	29	23	20	16	16
STATIONERY, &c.	1,02	1,02	73	69	44	41	69
MISCELLANEOUS	2,17	2,17	2,65 C	4,66 C	2,82 C	2,87 C	2,43 C
Total Miscellane- ous	3,61	3,61	3,84	5,75	3,53	3,54	3,35
STATE RAILWAYS	5,15	5,15	5,92	6,12	9,85	10,79	11,82
IRRIGATION & NAVIGA- TION (<i>Major Works</i>)	45,40	45,40	52,83	53,50	61,97	42,89	44,85
IRRIGATION & NAVIGA- TION (<i>Minor Works</i>)	1,17	1,17	1,31	1,35	1,48	1,33	1,39
CIVIL BUILDINGS AND ROADS	9,44	9,44	12,74	10,51	8,89	9,65	9,00
Total Public Works	61,16	61,16	72,80	71,48	82,19	64,66	67,06
CONTRIBUTIONS	1,10	1,10	68	72	1,14	1,24	1,17
Total Receipts	3,10,15	3,09,07	3,24,13	3,34,34	3,40,19	3,23,18	3,27,66
OPENING BALANCE . . . . .	...	...	1,13,54 D	1,05,30	69,53	62,63	38,63
GRAND TOTAL . . . . .	...	...	4,37,67	4,39,64	4,09,72	3,85,81	3,66,29
Surplus (+) or Deficit (—)	+5,17	+5,17	—8,24	—35,77	—6,90	—24,00	—18,63

N.B.—For Notes see overleaf.

North-Western Provinces Provincial Accounts, 1882—1887.

Provincial Expenditure—North-Western Provinces—1882-83 to 1886-87.

	ASSIGNMENT.		1882-83.	1883-84.	1884-85.	1885-86 (Revised).	1886-87 (Budget).
	Original.	As last year.					
REFUNDS	89 <i>L</i>	89	1,67	62	76	87	1,00
LAND REVENUE	72,80 <i>A</i>	72,80	63,28 <i>A</i>	74,64	74,44	75,20	76,10
STAMPS	50	50	59	61	72	64	66
EXCISE	82	82	67	55	53	53	61
PROVINCIAL RATES	7	7	7	6	6	7	7
ASSESSED TAXES	3	3	3	3	3	4	4
FORESTS	4,72	4,57 <i>N</i>	4,19	5,21	5,10	5,49	4,63
REGISTRATION	95 <i>A</i>	95	95	1,00	99	97	95
Total Principal Revenue Heads	80,78	80,63	71,45	82,72	82,63	83,81	84,06
GENERAL ADMINISTRATION	12,19	12,19	12,39	12,98	13,09	12,77	12,74
LAW AND { COURTS	39,85 <i>L</i>	39,85	40,55	40,96	41,86	42,84	42,35
JUSTICE { JAILS	12,14	12,14	11,94	10,93	10,70	9,66	11,15
POLICE	37,37 <i>L</i>	36,46 <i>P</i>	35,74	36,14	38,29	38,04	38,61
EDUCATION	8,22 <i>L</i>	8,22	3,95	3,53	3,57	3,66	4,26
MEDICAL	8,35	8,35	6,00	6,18	6,61	6,82	7,14
SCIENTIFIC, &C.	2,39	2,39	2,37	2,89	2,97	2,96	3,09
Total Civil Department	1,20,51	1,19,60	1,12,94	1,13,61	1,17,09	1,17,65	1,19,34
SUPERANNUATION	10,29	10,29	10,98	11,47	12,54	12,98	13,48
STATIONERY, &C.	4,98	4,98	5,26	5,13	5,86	5,40	5,65
MISCELLANEOUS	1,91	1,91	1,68	2,04	1,71	1,71	1,96
Total Miscellaneous	17,18	17,18	17,92	18,64	20,11	20,09	21,09
FAMINE RELIEF . . . . .	...	...	11	...	...	...	...
STATE RAILWAYS—							
Working Expenses	4,32	4,32	4,07	3,80	7,26	8,54	8,31
Interest { Imperial	1,18	1,18	1,20	1,20	1,51	1,20	1,20
Debt	51	51	53	...	...	...	...
Capital . . . . .	...	...	21,04 <i>E</i>	35,93 <i>E</i>	17,82 <i>E</i>	17,19 <i>E</i>	12,19 <i>E</i>
IRRIGATION, &C. (MAJOR)—							
Working Expenses	16,75	13,75	18,79	19,44	22,05	21,66	22,69
Interest	24,43	24,43	24,71	24,71	24,93	25,37	25,92
Capital . . . . .	...	...	12,63 <i>F</i>	12,42 <i>F</i>	...	...	...
SUBSIDISED RAILWAYS . . . . .	...	...	4 <i>F</i>	76 <i>H</i>	81 <i>H</i>	43	40
IRRIGATION, &C. (MINOR)	1,75	1,75	2,15	2,17	2,26	2,25	2,63
CIVIL BUILDINGS AND ROADS	29,35	29,33 <i>Q</i>	31,61	31,95	30,17	28,83	28,63
Total Public Works	78,29	78,27	1,16,88	1,32,43	1,06,81	1,05,47	1,01,97
CONTRIBUTIONS	8,22	8,22	13,18	22,71	20,45	20,16	19,83
Total Expenditure	3,04,98	3,03,90	3,32,37	3,70,11	3,47,09	3,47,18	3,46,29
CLOSING BALANCE . . . . .	...	...	1,05,30	69,53	62,63	38,63	20,00
GRAND TOTAL . . . . .	...	..	4,37,67	4,39,64	4,09,72	3,85,81	3,66,29

N.B.—For Notes see overleaf.

North-Western Provinces Provincial Accounts, 1882—1887.

Notes explaining North-Western Provinces Provincial Account.

- A. In the Assignment and Accounts for 1882-83 the following adjustments have been made on account of the Revenue Record Room Receipts, which have been treated differently in the Accounts since 1883-84:—

	RECEIPTS.		EXPENDITURE.	
	Assignments.	1882-83.	Assignments.	1882-83.
Registration	-127	-126	-60	-74
Land Revenue—				
Percentage	+ 52	+ 50}	+ 80	+ 100
Special grant	+ 88	+ 96}		
Law and Justice	+ 47	+ 54	+ 40	+ 48
	<u>+ 60</u>	<u>+ 74</u>	<u>+ 60</u>	<u>+ 74</u>

B. Figure in Accounts	1,13.11
Figure here	1,49.46

Here more 36.35

Made up as follows: Added for Record Room (see A) 1.46

Reductions shown as Expenditure—

under Railway Capital (see E)	2.04
Irrigation Capital (see F)	12.63
Subsidised Railway (see F)	4
taken by reduction of Miscellaneous (see C)	30
taken by reduction of balance (see D)	19.88
	<u>36.35</u>

- C. Reduced on account of contribution of Maharaja of Benares which is restored to Imperial through the Land Revenue in 1882-83. 1883-84. 1884-85. 1885-86. 1886-87.
by 30. 23. 22. 23. 23.

- D. Reduced by 19.88 on account of Patwari Fund Balance passed on to Imperial through the Land Revenue in 1882-83.

- E. Includes for Productive Capital taken in Accounts by reduction of Land Revenue in 1882-83, 1883-84, 1884-85, 1885-86, 1886-87.
2.04. 55.61. 13.92. 6.92. 1.71.

- F. Taken in Accounts by reduction of Land Revenue.

G. Figure in Accounts	83.77
Figure here	1,52.53

Here more 68.76

Made up as follows:—

Reductions shown as expenditure under—

Railway Capital	55.65
Irrigation Capital	12.42
Subsidised Railways	46
taken by reduction of Miscellaneous	23
	<u>68.76</u>

- H. Includes 46 in 1883-84, and 79 in 1884-85 taken in Accounts by reduction of Land Revenue.

- I. Reduced by 44 passed to Imperial in Accounts through Land Revenue Percentage.

	1884-85.	1885-86.	1886-87.
K. Figure in Accounts	1,35.78	1,42.95	1,48.67
Figure here	1,50.71	1,50.10	1,50.61
More here	<u>14.93</u>	<u>7.17</u>	<u>1.94</u>

Made up of Reductions—

taken here as expenditure under—

	1884-85.	1885-86.	1886-87.
Railway Capital	13.92	6.92	1.71
Subsidised Railways	79	"	"
taken under Miscellaneous	22	23	23
	<u>14.93</u>	<u>7.15</u>	<u>1.94</u>

- L. Refunds are reduced by 77, which are distributed to Law and Justice . 34
Police . 3
Education . 3
Miscellaneous . 30
Civil Buildings . 7
77

- M. Added to Exchequer and deducted from Land Revenue on account of Shahjahanpur run, which enters the accounts in this manner.

- N. 10 deducted on account of Forest School, and 5 on account of Forest Public Works, transferred to Civil Buildings, &c., to which head 10 is added.

- P. 91 deducted on account of East Indian Railway Police.

- Q. 10 added for Forest Works (see N), and 12 deducted for Great Deccan Road transferred, to Central India.

Central Provinces Provincial Accounts, 1882—1887.

APPENDIX III.

PROVINCIAL RECEIPTS AND EXPENDITURE, DURING TERM OF CONTRACT—
CENTRAL PROVINCES.

[N. B.—The figures in this note represent thousands of Rupees,—thus 29.88 means Rs. 29,88,000.]

The following table shows in abstract the receipts and expenditure (actual or estimated) of the Central Provinces for the term of the current Contract :—

General abstract.

	RECEIPTS.							EXPENDITURE.						
	Assign- ment	1892-83	1893-84.	1894-95	1895-96, (Re- vised.)	1896-97, (Bud- get.)	+ or —	Assign- ment.	1892-83.	1893-84.	1894-95.	1895-96, (Re- vised.)	1896-97, (Bud- get.)	+ or —
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
<i>Land Revenue</i> . . .	29.88	29.61	30.22	29.61	29.96	29.87	—11	10.17	9.23	9.55	10.16	11.49	13.03	+ 2.60
<i>Other Revenue Heads</i> . . .	25.29	26.47	27.94	28.74	27.64	28.09	+ 12.43							
<i>Civil Departments</i> . . .	6.65	7.32	6.61	6.33	6.61	6.32	—4	35.85	38.46	37.72	37.71	36.85	38.43	+ 9.92
<i>Miscellaneous</i> . . .	37	62	41	37	50	54	+ 59	2.85	3.39	3.03	3.12	3.31	3.45	+ 2.05
<i>Post Office</i> . . .	...	...	...	...	...	...	...	44	44	45	51	50	49	+ 19
<i>State Railways—</i>														
<i>Net Revenue or Expenditure</i>	...	23	3.01	1.86	1.67	46	+ 7.23	1.98	...	...	...	...	...	—9.91
<i>Capital</i> . . .	...	...	...	...	...	...	...	...	2	...	...	...	...	+ 2
<i>Civil Buildings and Roads</i> . . .	79	71	61	68	55	57	—80	9.09	10.07	10.46	14.17	13.29	14.95	+17.52
<i>Contributions, Net</i> . . .	...	...	...	...	...	...	...	...	...	...	12	14	77	+ 1.03
	62.98	61.99	68.83	67.59	66.96	65.85	+ 19.30	60.38	61.61	61.21	65.79	65.58	71.12	+ 23.12
<i>Opening or Closing Balance</i> . . .	...	16.16	19.51	27.16	28.96	30.31	..	...	19.54	27.16	28.96	30.31	25.07	...
	...	81.15	88.37	91.75	95.92	96.19	...	...	81.15	88.37	91.75	95.92	96.19	...
<i>Surplus (+) or deficit (—)</i> . . .	+2.60	+3.38	+7.62	+1.80	+1.33	—5.27	...	...	...	...	...	...	...

N. B.—The + or — in columns 8 and 15 refers to the total increase or deficiency for the whole term as compared with five times the assignment.

2. The total receipts for the period amount to 3,34,21 against an assignment of 3,14,91 or an increase of 19,30; and the total expenditure to 3,25,30 against an assignment of 3,01,88 or an increase of 23,42. But for the special contribution of 12 lakhs, levied from Provincial in the current year (which has not been taken into account in the above abstract), the Province would, notwithstanding this considerable increase of expenditure, have raised its balance by nearly nine lakhs.

3. The principal features of the account are the increase of income under the Principal Heads of Revenue other than Land Revenue, the conversion of the net expenditure on Railways into a net Revenue, and the largely increased expenditure on Civil Departments and Civil Buildings.

4. The Land Revenue has varied but slightly from year to year; it has really been a little above the assignment figure; the apparent decrease being due to the Inter-provincial

Central Provinces Provincial Accounts, 1882—1887.

Adjustments which have reduced the Provincial Share by nearly $1\frac{1}{4}$ lakhs during the term of the Contract.

5. Under the other principal Revenue heads, there has been a considerable increase under Excise and Stamps, and a small increase under Forests; the net result under the last head being, however, a considerable improvement, as the expenditure has been materially reduced. The net Revenue under these three heads has been—

	Assign- ment.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.	Increase on the five years as compared with assignment.
Stamps	5,68	5,97	6,35	6,66	6,72	6,71	4,01
Excise	9,71	10,62	11,49	12,14	12,16	12,15	10,01
Forests	1,93	2,83	2,80	2,67	2,66	2,70	4,01

There is a nominal falling off under Provincial Rates, but this is due to the transfer to Local of the Education cess, the corresponding expenditure under the head of Education being also transferred.

6. Under Civil Departments there has been no variation on the whole, but there have been fluctuations under individual heads; Law and Justice has fallen considerably (2,58), principally under the head of General Fines and Forfeitures (1,96), while Police (46) and Education (1,83) have risen. The rise under Education is chiefly in contributions (from Municipalities) and Miscellaneous (which includes Book Depôt Receipts).

7. The State Railways, which in 1881-82 were estimated to cost nearly two lakhs a year, have brought in $7\frac{1}{4}$ lakhs net revenue to the Province. The details are given below :—

	Assignment.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.
Gross receipts	3,75	8,59	12,96	13,62	14,90	15,00
Working expenses	3,04	4,91	6,46	8,05	9,30	10,40
Interest	2,69	3,45	3,49	3,71	3,93	4,14
TOTAL CHARGES	5,73	8,36	9,95	11,76	13,23	14,54
NET RECEIPTS	—1,98	+ 23	+ 3,01	+ 1,86	+ 1,67	+ 46

There has been heavy Capital expenditure each year on the line chiefly in connection with the construction of the Kanhan Bridge, which accounts for the rise in interest. During the last three years the working expenses have been largely increased by expenditure for renewals, and in 1886-87 a further increase has been caused by the addition of the charge for exchange on stores procured from England.

Central Provinces Provincial Accounts, 1882—1887.

8. On the Charge side the only change requiring notice under the Revenue heads—Charges, Revenue heads is the large increase under Land Revenue. The total increase under this head has been 5,76; and the details of this are shown below :—

	Assign- ment.	1882-83	1883-84.	1884-85	1885-86.	1886-87.	Increase for five years.
Collectors' and Deputy Col- lectors' Establishments .	6,32	6,35	6,16	6,60	7,12	7,50	2,43
Revenue Surveys . . .	...	...	8	18	62	69	1,57
Land Settlements . . .	...	...	...	6	47	1,15	1,68
Allowances to District and Village Officers . . .	...	...	...	...	4	4	8
TOTAL .	6,32	6,35	6,54	6,84	8,25	9,38	5,76

About $3\frac{1}{4}$ lakhs are due to Survey and Settlement Charges, which the Province has borne without receiving, as yet, any compensating increase in Revenue.

Under Collectors' and Deputy Collectors' Establishments the expenditure has increased as shown below :—

	Assign- ment.	1882-83.	1883-84	1884-85.	1885-86.	1886-87.	Increase for five years.
Deputy Commissioners, As- sistant Commissioners, and Extra Assistant Commis- sioners .	2,58	2,54	2,61	2,62	2,64	2,81	32
Office Establishment . . .	98	95	96	1,04	1,13	1,11	29
Tahsili Establishments, &c .	2,25	2,34	2,39	2,45	2,85	3,03	1,86
Contingencies . . .	51	52	50	49	50	50	—4
TOTAL .	6,32	6,35	6,46	6,60	7,12	7,50	2,43

The only increase of importance is that under Tahsili Establishments; the number of employes under this head has risen from 1,072 in 1881-82 to 1,317 in 1886-87; the increase has been mainly in the last two years.

9. Under Civil Departments there has been an increase of nearly 10 lakhs, almost 9 lakhs of which is under Police; there has also been an increase of $1\frac{1}{2}$ lakhs under Scientific and Minor Departments, and a decrease of about the same amount under Education and Medical together. The increase under Police is in the main due to the transfer of Municipal Police Charges to Provincial; but there has also been an increase in the number (20 to 29) and cost (1,50 in 1881-82 to 1,82 in 1885-86 and 1,75 in 1886-87) of the Staff of District and Assistant District Superintendents. Under Education and Medical the fall has been due to the transfer of certain charges to Local; while there has also been an increased contribution levied from Municipalities under the head of Education (as already noticed in paragraph 6). On the whole, however, the Local Government seems to have assumed a considerable share of local expenditure, simply as an additional burden on the Provincial finances and without any compensating transfer in the opposite direction.

Central Provinces Provincial Accounts, 1882—1887.

Under Scientific and Minor Departments the rise has been general, but the main increase is due to the creation of an Agricultural Department, which is also probably the cause of the increase under some of the other heads. The following details show the course of the expenditure:—

	Assign- ment.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.	Total increase in the five years.
Provincial Museums . . .	1·7	1·6	1·6	2·3	5·	1·8	3·8
Agricultural Department . . .	...	12·6	18·8	20·4	14·9	21·8	91·5
Model Farms . . .	9·9	9·3	11·7	11·8	13·	14·9	11·2
Public Exhibitions and Fairs . . .	·1	·5	1·	2·3	5·	·1	8·4
Government Bull and Stallion Charges . . .	·3	·2	·2	·3	·7	·6	·5
Botanical Gardens, &c. . .	4·	4·	6·2	7·3	20·	20·1	37·6
Railway Traffic Registration . . .	1·1	·8	·3	·3	·3	·3	—3·5
Provincial Statistics . . .	11·	11·5	10·	12·7	13·	10·1	3·
Census Charges . . .	...	...	4·1	...	...	...	4·1
Miscellaneous . . .	...	·1	·1	·2	·1	·3	·8
TOTAL . . .	28·1	40·6	54·7	57·6	72·	73·	1,57·4

N.B.—Figures to the right of the decimal points in this table represent hundreds of Rupees.

The increase under Botanical and other public Gardens is mainly due to the transfer of charges from Local to Provincial; the Local charges on this account were taken in the Revised Estimate for 1881-82 at 25·7 and in the Estimate for 1886-87 at only 3·8.

10. Under the miscellaneous heads Superannuation Charges have risen, but slightly (34·); the increase under Stationery and Printing has been considerable (93·); and a large increase is also shown under Miscellaneous (78·). Under the last head the increase in the last two years is mainly due to a new charge of 18· for Petty Establishments, the nature of which is not known.

11. Under Civil Buildings the increase has been very considerable. In the last three years the expenditure has been more than half as much again as the figure taken in the assignment.

Civil Buildings—Charges.

Contributions.

12. The expenditure under the head of Contributions is inconsiderable except in 1886-87.

The 19th October 1886.

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Central Provinces Provincial Accounts, 1882—1887.

STATEMENT
OF
PROVINCIAL RECEIPTS AND EXPENDITURE
IN
THE CENTRAL PROVINCES.

Central Provinces Provincial Accounts, 1882—1887.

Provincial Receipts—Central Provinces—1882-83 to 1886-87.

	Assignment.	1882-83.	1883-84.	1884-85.	1885-86 (Revised).	1886-87 (Budget.)
LAND REVENUE—						
Percentage	29,88	30,00	30,47	29,83	30,13	30,19
Recurring Adjustment . . . . .	...	...	...	...	...	...
Non-recurring Adjustment . . . . .	...	...	...	...	...	...
Inter-provincial . . . . .	...	—36	—25	—22	—17	—22
Total Land Revenue	29,88	29,61	30,22	29,61	29,96	29,87
STAMPS	5,81	6,13	6,55	6,85	6,89	6,89
EXCISE	10,00	10,91	11,78	12,47	12,50	12,50
PROVINCIAL RATES	3,00	2,93	3,01	2,75	1,61	1,64
ASSESSED TAXES	1,25	1,27	1,28	1,19	1,22	1,22
FOREST	4,90	4,89	4,98	5,14	5,01	5,47
REGISTRATION	30	34	34	34	38	37
Total other Principal Revenue Heads	25,29	26,47	27,94	28,74	27,64	28,09
LAW AND JUSTICE { COURTS	1,69	1,43	1,24	1,25	1,33	1,17
{ JAILS	3,51	4,42	3,47	3,01	3,01	3,09
POLICE	55	36	69	89	75	52
EDUCATION	82	1,03	1,09	1,05	1,39	1,38
MEDICAL	4	3	6	9	5	4
SCIENTIFIC, &c.	4	5	6	4	11	12
Total Civil Departments	6,65	7,32	6,61	6,33	6,64	6,32
INTEREST . . . . .	...	...	...	...	2	3
SUPERANNUATION	3	3	6	6	6	8
STATIONERY	22	26	23	22	20	22
MISCELLANEOUS	12	33	12	9	22	21
Total Miscellaneous	37	62	41	37	50	54
STATE RAILWAYS	3,75	8,59	12,96	13,62	14,90	15,00
CIVIL BUILDINGS AND ROADS	79	71	64	68	55	57
Total Public Works	4,54	9,30	13,60	14,30	15,45	15,57
CONTRIBUTIONS . . . . .	...	...	...	...	6	7
Total Receipts	66,73	73,35	78,78	79,35	80,25	80,46
OPENING BALANCE . . . . .	...	16,16	19,54	27,16	28,96	30,34
GRAND TOTAL . . . . .	...	89,51	98,32	1,06,51	1,09,21	1,10,80
Surplus (+) or Deficit (—)	+2,60	+3,38	+7,62	+1,80	+1,38	—5,27

Central Provinces Provincial Accounts, 1882-1887.

Provincial Expenditure—Central Provinces—1882-83 to 1886-87.

	Assignment.	1882-83.	1883-84.	1884-85.	1885-86, Revised.	1886-87, Budget.
REFUNDS	28	22	19	15	16	12
LAND REVENUE	6,32	6,35	6,54	6,84	8,25	9,38
STAMPS	16	16	20	19	17	18
EXCISE	29	29	29	33	34	35
ASSESSED TAXES	1	...	...	...	1	1
FOREST	2,97	2,06	2,18	2,47	2,35	2,77
REGISTRATION	14	15	15	18	21	22
Total Principal Revenue Heads	10,17	9,23	9,55	10,16	11,49	13,03
POST OFFICE	44	44	45	51	50	49
GENERAL ADMINISTRATION	3,49	3,45	3,58	3,60	3,57	3,59
LAW AND JUSTICE { COURTS	7,13	7,30	7,11	7,09	7,15	7,77
JAILS	5,05	6,21	4,76	4,53	4,60	5,07
POLICE	11,45	12,58	13,21	13,38	13,46	13,48
EDUCATION	5,49	5,72	5,78	5,72	4,66	4,96
MEDICAL	2,96	2,79	2,73	2,81	2,69	2,83
SCIENTIFIC, &c.	23	41	55	58	72	73
Total Civil Departments	35,85	38,46	37,72	37,71	36,85	38,43
SUPERANNUATION	1,41	1,50	1,50	1,48	1,45	1,45
STATIONERY, &c.	1,20	1,52	1,23	1,35	1,36	1,47
MISCELLANEOUS	24	37	30	29	50	53
Total Miscellaneous	2,85	3,39	3,03	3,12	3,31	3,45
STATE RAILWAYS—						
Working Expenses	3,04	4,91	6,46	8,05	9,30	10,40
Interest	2,69	3,45	3,49	3,71	3,93	4,14
Capital . . . . .	...	2	...	...	...	...
CIVIL BUILDINGS AND ROADS	9,09	10,67	10,46	14,17	13,29	14,95
Total Public Works	14,82	18,45	20,41	25,93	26,52	29,49
CONTRIBUTIONS . . . . .	...	...	...	12	20	84
Total Expenditure	64,13	69,97	71,16	77,55	78,87	85,73
CLOSING BALANCE . . . . .	...	19,54	27,16	28,96	30,34	25,07
GRAND TOTAL	...	89,51	98,32	1,06,51	1,09,21	1,10,80

Bombay Provincial Accounts, 1882—1887.

APPENDIX IV.

PROVINCIAL RECEIPTS AND EXPENDITURE DURING TERM OF CONTRACT, BOMBAY.

[N.B.—The figures in this Note represent thousands of Rupees,—thus, 1,86,39 means Rs.1,86,39,000.]

The following statement shows the Provincial receipts and expenditure (actual or estimated) of Bombay for the term of the current Contract :—

General Abstract.

	RECEIPTS.								EXPENDITURE.							
	ASSIGNMENT.		1882-83.	1883-84.	1884-85.	1885-86 (Revised.)	1886-87 (Budget.)	+ or —	ASSIGNMENT.		1882-83.	1883-84.	1884-85.	1885-86 (Revised.)	1886-87 (Budget.)	+ or —
	Original.	In last year.							Original.	In last year.						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Land Revenue—																
Percentage . . .	1,86,39	1,86,53	1,83,40	1,97,80	1,89,02	2,04,22	1,96,22	+38,14	...	...	...	...	...	...	...	...
Recurring Adjust- ment . . .	...	1,81	-1,01	+95	+1,07	+1,77	+1,81	...	...	...	...	...	...	...	...	...
Non-Recurring Ad- justment . . .	...	...	+22	+8	2	...	...	...	...	...	...	...	...	...	...	...
Inter Provincial Ad- justments . . .	5	5	+5	+34	+40	+33	+33	+1,20	...	...	...	...	...	...	...	...
TOTAL . . .	1,86,44	1,88,39	1,82,63	1,99,17	1,90,51	2,06,32	1,98,36	+39,34	...	...	...	...	...	...	...	...
Other Revenue Heads .	70,05	70,13	75,40	81,85	86,41	90,31	89,48	+73,19	95,45	95,76	95,05	99,91	1,00,86	1,01,21	1,03,47	+28,96
Civil Departments . .	13,34	19,16	13,20	15,17	14,48	16,37	17,23	-6,22	1,25,15	1,30,69	1,27,39	1,31,09	1,35,44	1,39,81	1,45,21	+36,31
Miscellaneous . . .	3,51	3,51	4,07	2,77	3,42	3,68	3,39	-24	17,65	18,33	19,60	19,57	19,41	20,32	21,66	+8,03
Post Office Telegraph (net) . . .	...	...	...	...	...	...	...	...	89	89	98	1,42	92	1,18	1,03	+1,12
Famine . . .	...	...	...	...	...	...	...	...	...	...	12	41	1	5	...	+62
Railways, Miscellaneous	...	...	...	...	...	...	...	...	...	...	...	...	23	10	36	+69
Civil Buildings and Roads . . .	6,31	6,31	7,16	7,10	8,17	7,99	7,53	+6,40	29,40	29,66	34,75	36,50	41,99	35,46	46,99	+47,87
Contributions . . .	...	...	...	...	...	...	...	...	4,27	5,33	4,81	4,23	4,03	7,08	6,24	+2,97
TOTAL . . .	2,79,65	2,87,50	2,82,46	3,06,06	3,02,09	3,21,67	3,15,99	1,12,47	2,72,81	2,80,66	2,82,73	2,93,19	3,02,89	3,08,24	3,25,01	1,26,57
Opening or closing balance . . .	...	...	32,19	31,92	44,79	44,89	61,32	...	...	...	31,92	44,79	44,89	61,32	52,30	...
GRAND TOTAL . . .	...	...	3,14,65	3,37,98	3,47,78	3,69,56	3,77,31	...	...	...	3,14,65	3,37,98	3,47,78	3,69,56	3,77,31	...
Surplus (+) or defi- cit (—) . . .	+6,84	+6,84	-27	+12,87	+10	+16,43	-9,02	...	...	...	...	...	...	...	...	...

N. B.—The + or — in columns 9 and 17 refer to the excess or deficiency of the actuals (including the Revised Estimate for 1885-86 and the Budget estimate for 1886-87) as compared with five times the average assignment.

2. The total Revenue of the five years amounts to 15,32,17 against an

Revenue and Expenditure compared with assignment. assignment of 14,19,70, or an excess of 1,12,47 over the assignment; and the total expenditure to 15,12,06 against an assignment of 13,85,49, or an excess of 1,26,57 over the assignment; the assignment, however, provided for a surplus of 6,84; so that the net result is that after expending 126½ lakhs more than was estimated in the assignment, the Province has increased its balance by 20 lakhs.

3. On the Revenue side the increase has been very considerable under Land

Revenue generally. Revenue and the other principal Revenue Heads; there has been a small increase under Civil Buildings; but a decrease under Civil Departments, and Miscellaneous.

4. The Land Revenue has fluctuated considerably from year to year, but

Land Revenue. has always, except in 1882-83, been considerably above the figure taken in the assignment, and is now expected to give the Provincial Government during the whole term of the Contract about 38 lakhs more than was originally estimated. The total Land Revenue for division each year (including the amount credited as Land Revenue due to Irrigation) was :—

Assignment.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.
3,11,50	3,04,06	3,30,65	3,15,99	3,41,39	3,28,01

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5. Under the other heads of Revenue there have been large increases under Principal Revenue Heads—Receipts. Stamps (7,09), Excise (41,97), Forests (25,63) and Registration (2,06). The increase under the two last heads has been accompanied by some rise in the expenditure, but even in the net income the increase is considerable; the net figures for each year and for the Assignment under these four heads, are as follows:—

	Assign- ment.	1882-83.	1883-84.	1884-85.	1885-86 (Revised).	1886-87 (Budget).	Increase for whole term over Assign- ment.
Stamps (net)	19,53	20,15	20,38	21,33	21,14	21,78	7,13
Excise (net)	30,96	34,03	37,87	39,85	42,33	41,49	40,65
Forests (net)	2,80(a)	4,14	4,79	5,06	6,01	5,05	13,66
Registration (net)	17	16	26	39	46	50	92

(a) For comparison with the last 3 years should be taken at 2,33.

The estimated net income under Excise for the current year exceeds the assignment figure by 10,53 or about 34 per cent.; under Forests the net income has been more than double the assignment figure in every year except the first.

There has been a falling off under Salt (41), Customs (1,53) and Assessed Taxes (1,62).

6. Under Civil Departments there has been a falling off under Law and Justice (8,70) and Police (66), but a rise under Civil Departments—Receipts. Medical (63), Education (1,97) and Marine (75).

7. The fall under Law and Justice comes under both Courts,—principally Law and Justice—Receipts. Fines and Forfeitures (3,00)—and Jail Receipts (5,70), in the latter case being due to smaller receipts for Jail manufactures and for convict labour.

8. Under Police the decrease appears to have been mainly on account of Police—Receipts. recoveries for Village Police. On the accounts there is apparently a large increase, but this is owing to the following new items brought on to the account or transferred from other heads during the term of the present Contract:—

- i. Contributions from Municipality, Bombay, about 2½ lakhs a year for 4 years.
- ii. Pound Receipts nearly 2 lakhs a year for 2 years.
- iii. Ramoosee Fund Receipts about a lakh spread unequally over 2 years.
- iv. Contributions for Abkari Police transferred from Excise about a lakh spread unequally over 2 years.

Corresponding increases have occurred under the charge heads. Certain recoveries for Police Clothing have been brought to credit under a new system, but the exact amount of these cannot be stated.

9. Under Medical the increase is chiefly due to an increase in the receipts of the Grant Medical College, and to the anticipated recovery from the Bombay Port Trust of a moiety of the pay of the Health Officer of the Port. Medical—Receipts.

10. Under Education the improvement has been mainly under Fees for Government Schools; and under Marine, there has been a rise in Registration Fees. Education and Marine—Receipts.

11. Under the Miscellaneous Heads, Superannuation Receipts have fallen off (50); Stationery Receipts have improved (92), but this increase is almost entirely due to the credit to Provincial of the Recoveries for Stationery supplied to Berar (72), Miscellaneous Heads—Receipts.

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which in the assignment were taken as an Imperial Receipt; under Miscellaneous the receipts have fluctuated considerably and have on the whole brought in half a lakh less than the Assignment.

12. Under Civil Buildings and Roads there has been a considerable increase (6,40). The increase has been chiefly under the head of Ferry Receipts and Tolls, as the figures below for the years 1881-82 to 1884-85 will show :—

	1881-82.	1882-83.	1883-84.	1884-85.	Increase for the 3 years.
Total Civil Buildings, &c., Receipts	6,28 (a)	7,16	7,10	8,17	3,59
Ferry Receipts and Tolls	5,30	5,85	6,07	6,85	2,87

Slight fluctuations under several other heads account for the rest of the increase.

13. The Expenditure has increased under every head; and very largely under the Principal Revenue Heads, Civil Departments, Miscellaneous and Civil Buildings, &c.

14. Of the Increase under Revenue Heads (28,96) nearly half is under the heads of Forest (11,97) and Registration (1,14) and is more than counterbalanced by the increased Revenue under these heads (see paragraph 5). The remaining increases are Refunds (3,46), Land Revenue (9,20), and Salt and Customs (3,50); the last two must be taken together, as certain charges previously classified as Customs charges were from October 1884 transferred to Salt.

15. The excess under Refunds is owing to larger Refunds under Land Revenue and Excise. Very large Refunds under the head of Land Revenue for the first two years of the Contract were anticipated, and a special addition was made to the Provincial Balance to enable the Local Government to meet them; these special Refunds have been excluded from this account, the special addition to the Balance being also left out; they were properly speaking Imperial Refunds, which were, for special reasons, passed through the Provincial Accounts. But, excluding the above, the Land Revenue Refunds have been slightly above the Estimate, though the excess is small compared with the large increase in Land Revenue receipts; the Refunds are exceptionally high in 1885-86. The Excise Refunds have fluctuated largely; the figures have been—

1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.
1,24	3,66	1,89	2,34	2,14	1,94

of which half has fallen to the Provincial share; the increased charge on the whole is due to an enhancement of the rates at which remissions are granted to Native States on account of Pass Duty on Opium consumed in their territories.

16. Under Land Revenue there has been an increase of about 5½ lakhs under both "Collectors and their Establishments" and "Revenue Survey and Land Settlement;" while the "Allowances to District and Village Officers" (other than those which are mere Book debits and have accordingly been excluded from this account) have diminished by about 2½ lakhs; under this last head a new item appeared in the accounts for two years (1884-85 and 1885-86) on account of Village Cess Establishments in Sind, which in 1886-87 has been transferred to Local; but for this the decrease would have been greater; it is, however, nominal, being due to the transfer of certain charges to Police, the exact amount of which it is not

(a) These are the Actuals for 1881-82, not the Regular Estimate which was adopted for the Assignment figure; from which, however, it differs by only 3. This figure is taken because the details of the Regular Estimate are not available.

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possible to ascertain from the accounts. Under Collectors and their Establishment there has been an increase in all the detailed heads; the rise has not been large in any individual head, but the largest increase is under Contingent Expenses including Travelling Allowances. Survey and Settlement charges show increased expenditure under all heads.

17. Under Salt and Customs the increase (leaving out of account the saving secured by the abolition of the general Customs duties, which was transferred to Imperial by a corresponding reduction of the Land Revenue Assignment) has been nearly 8 lakhs, but about $5\frac{3}{4}$ lakhs of the total increase has been met by grants from Imperial.

18. Under Civil Departments the principal increases have been under Police (18,26), Education (12,72), Medical (5,50) and Scientific, &c., Departments (3,07); and there has been a decrease under Law and Justice (3,34).

19. The increase under Police is probably higher than the figure shown above, as the extra charge for Bombay Police has been taken at the same figure as on the receipt side, so that some correction may be required. The principal causes of this increase (in addition to the transfer of certain charges from Land Revenue and the bringing to account of the whole charges for Police Clothing as mentioned above) are the creation of the appointment of Inspector-General of Police, the addition of 10 probationers to the superior staff (sanctioned before the new Contract, but not taken into account in the assignment) and an increase of the District Police Force.

20. Under Education the charges have risen for Inspection (84) Government Colleges, General (1,00) and Special (1,34) and Government Schools (2,04) and there have been small increases under most heads; but the main increase has been under Grants-in-aid and Payments by Results, the rise in the last two years being very large; the figures for the assignment and for each year of the Contract under these heads are given below:—

	Assign- ment.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.	Increase for whole term.
Grants-in-aid . . .	86	71	34	50	2,46	3,45	3,16
Payments by Results . .	80	96	1,07	1,23	1,35	1,78	2,39
TOTAL . . .	1,66	1,67	1,41	1,73	3,81	5,23	5,55

21. Under Medical the principal increases are under Sanitation and Vaccination (88), partly due to the creation of the appointments of Health Officer for the Port of Bombay, and of Port Surgeon, Aden; under Hospitals and Dispensaries (4,07), the charges for salaries under this head having risen considerably (2,34 on the Accounts, not allowing for the exclusion of the Gokaldass Tejpal Hospital charges); and under Medical Colleges (75), where also the increase is mainly under Salaries.

22. Under Scientific and Minor Departments, the creation of the Agricultural Department (1,25) in 1883-84 and of a Veterinary class (39) at the end of 1885-86 has occasioned more than half the increase; the rest of the increase is spread over the various other heads, the largest portion being due to Experimental Factories, Model Farms, and Bull and Stallion charges.

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23. Under Law and Justice the decrease is the net outcome of a considerable decrease under the Jail heads (9,50), and of an increase under the Court heads (6,16). Under Jails the decrease is mainly under Supplies and Services, chiefly Rations (5,24), Manufacturing charges (2,02) and Charges for Convict Camps and Temporary Jails (1,73); the assignment figures were based on the Revised Estimates for a year when the number of prisoners was exceptionally large, which accounts for the decrease under Rations and Temporary Jails. Under the Court charges the principal increases are under Civil and Sessions Courts (4,42) and Criminal Courts (3,50); while Refunds have decreased (1,70). In Civil and Sessions Courts the chief increase has been in the salaries of Sub-Judges (1,11)—the number remaining unaltered till the present year, when it is increased by 2—in Establishment charges (83), Contingencies (88), and Process Service charges (1,10). In Criminal Courts there is a rise under Salaries (1,70)—owing to an increase in the number of supernumerary Assistant Magistrates,—under Establishment (1,19) and under Contingencies (67),—chiefly Postage and Travelling Allowance.

24. Under the Miscellaneous Heads, Superannuations (5,69) and Stationery, &c., (2,37) make up the whole of the increase (8,03; Miscellaneous charges, though fluctuating from year to year, having remained at almost exactly the contract figure for the whole term taken together. Under Superannuations most of the increase is made up of Police pensions. Under Stationery, &c., there has been a rise both in the charge for Stationery and in that for Printing, the larger portion of the increase having been under the latter head. The cost of the Stationery Office has risen from 19 in 1881-82, to 33 in 1886-87, and the excess expenditure under this head during the Contract has been about half a lakh. In Stationery supplied from Central Stores there has been an increase of only 31 during the term. Under Government Presses the increase has been 1,71 for the term; chiefly in the establishment of the Central Press (1,17).

25. Of the increase in the net expenditure under Post Office and Telegraph (1,12), the main portion (70) is due to the Telegraph expenditure in connection with the Provincial Telegraph Line from Sholapur to Bārsī, which was not taken into account in the Contract. The increase under Post Office (42) is due to new payments under the head of subsidies, which appear in the last two years, on account of a daily postal service between Goa and Bombay.

26. The expenditure on Famine Relief has not been large; but there has been some expenditure during each year that has closed. The expenditure mostly occurred in the first two years, and was incurred on relief works in districts visited by locusts.

27. The Miscellaneous Railway Expenditure has been incurred on various surveys of Provincial Lines of Railway. Some expenditure was incurred in 1882-83 and 1883-84 on the Western Deccan Railway, but was written back in 1883-84, and has been excluded from the summary of the Accounts at the head of this paper.

28. The expenditure under the head of Civil Buildings and Roads has been largely in excess of the Contract Figure. The excess of 47,87 includes about 64 on account of the Establishment for Collection of Tolls, which has been made a Provincial Charge during the last two years of the term, a corresponding credit appearing on the Receipt side; excluding this amount the increase is 47,23, which gives an average of 9,45 a year. The estimate for 1886-87 is 17,33 above the Contract figure of 29,66, or about three-fifths as much again.

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29. The details of the expenditure on Civil Buildings and Roads during the last and the present Contract, are given below :—

	Original Works.	Repairs.	Establishment.	Tools and Plant and Suspense, &c.	Expenditure by Civil Department.	Total.
1877-78	(a) 15,33	(b) 11,99	10,19	97	1,15	39,63
1878-79	7,06	10,63	10,88	15	...	28,22
1879-80	3,91	11,90	9,90	13	20	26,04
1880-81	5,67	12,17	6,26	9	18	24,37
1881-82	7,95	12,49	8,13	13	54	29,24
Total for term of last Contract .	39,92	59,18	44,86	1,47	2,07	1,47,50
Average for each year for term of last Contract.	7,98	11,84	8,97	29	42	29,50
1882-83	12,55	12,22	8,82	16	1,00	34,75
1883-84	14,02	12,20	9,52	23	53	36,50
1884-85	19,04	13,14	9,02	25	55	42,00
1885-86	12,01	12,96	9,42	33	1,14	(c) 35,86
1886-87	24,22	13,50	8,00	30	97	46,99
Total for term of present Contract	81,84	64,02	44,78	1,27	4,19	1,96,10
Average for each year of the present Contract.	16,37	12,80	8,96	25	84	39,22

The average expenditure exceeds that for the last term by nearly 10 lakhs a year, of which $8\frac{1}{2}$ lakhs each year is for Original Works, and 1 lakh for Repairs and Maintenance. The charge for Establishment has been the same in both terms.

30. Below are given the details of the expenditure on Original Works divided between Buildings, Communications, and Public Improvements. It will be seen that, under the heads of both Buildings and Communications, the expenditure for the second term is more than double that for the first term :—

	Buildings.	Communications.	Public Improvements.	Total.
1877-78	8,65	3,77	2,91	15,33
1878-79	3,17	2,78	1,11	7,06
1879-80	2,20	1,49	22	3,91
1880-81	3,82	1,74	11	5,67
1881-82	4,23	3,14	58	7,95
TOTAL	22,07	12,92	4,93	39,92
Average	4,41	2,58	99	7,98
1882-83	6,78	3,85	1,92	12,55
1883-84	8,24	4,54	1,24	14,02
1884-85	10,67	5,97	2,40	19,04
1885-86	6,01	4,19	1,81	12,01
1886-87	15,25	7,46	1,51	24,22
TOTAL	46,95	26,01	8,88	81,84
Average	9,39	5,20	1,78	16,37

31. The net increased expenditure under the head of Contributions amounts to nearly 3 lakhs ; though there have been many petty changes under this head, the difference may be said to be generally due to the following special contributions :—

Transfer of Sind Village Officers cess to Local (1885-86)	3,10
Special grant to Local for School Buildings (1886-87)	1,00
Deduct—	4,10
Repayment of portion of debt due to Government from Central Book Depôt (1885-86)	1,00
	3,10

The 28th August 1886.

(a) Excluding 25,14 on account of Famine Relief included under this head.

(b) " 2,75 " " " "

(c) Approximate actuals which differ by 40 from revised estimate.

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Provincial Receipts—Bombay—1882-83 to 1886-87.

	ASSIGNMENT.		1882-83.	1883-84.	1884-85.	1885-86 (Revised.)	1886-87 (Budget.)
	Original.	In last year.					
LAND REVENUE—							
Percentage	(a) 1,86,34	(h) 1,86,48	A 1,83,38	1,97,80	1,89,03	2,01,22	1,96,22
Record Room Receipts .	(b) 5	7	B 5	2	1	2	2
Recurring Adjustments—							
Stationery . . . . .	...	45	45	45	45	45	45
"Jhelum" and "Mooltan" .	...	50	...	50	50	50	50
Port Surgeon, Aden . . .	...	5	...	5	5	5	5
Deputy Commissioner, Upper Sind Frontier .	...	30	...	30	30	30	30
Lower Sind Frontier Police .	...	10	...	10	10	10	10
Preventive Establishment	...	71	C 1	C 55	71	71	71
Balsar Salt and Customs Establishment . . .	...	1,20	...	...	50	1,20	1,20
Forest, Public Works . . .	...	13	...	...	13	13	13
Sind Process Service Fees .	...	5	...	...	...	1	5
Customs Establishment . .	...	—1,68	—1,60	—1,00	—1,67	—1,68	—1,68
Transfers between Land Revenue and Excise .	...	(h) —2	—3	—2	—2	—2	—2
Non-Recurring Adjustments—							
Treaty provision of Salt .	...	...	22	...	...	...	...
Amod Palej Road . . . .	...	...	...	3	...	...	...
Calcutta Exhibition . . .	...	...	...	5	...	...	...
Ancient Monuments . . .	...	...	...	...	2	...	...
Inter-Provincial Adjustments	(c) 5	5	5	34	40	33	33
Total Land Revenue . . .	1,86,44	1,88,30	D 1,82,63	M 1,99,17	S 1,90,61	T 2,06,32	V 1,98,36
SALT	60	60	65	65	55	37	37
STAMPS	20,50	20,50	21,05	21,35	22,32	22,12	22,75
EXCISE	(c) 32,09	(h) 31,62	E 35,01	E 38,84	E 41,06	E 43,61	E 42,78
PROVINCIAL RATES . . . .	...	(w) 55	...	...	...	57	55
CUSTOMS	79	79	57	49	46	45	45
ASSESSED TAXES	6,63	6,63	6,30	6,33	6,28	6,30	6,30
FOREST	8,09	8,09	10,45	12,52	13,87	14,93	14,31
REGISTRATION	(b) 1,35	1,35	B 1,37	1,67	1,87	1,96	1,97
Total other Principal Heads of Revenue . . .	70,05	70,13	75,40	81,85	86,41	90,31	89,48
POST OFFICE . . . . .	...	...	...	...	1	2	2
TELEGRAPH . . . . .	...	...	5	3	4	4	4
Total Post Office and Telegraph . . .	...	...	5	3	5	6	6
LAW AND JUSTICE { COURTS	3,75	3,75	3,63	3,24	3,18	2,85	2,85
{ JAILS	3,84	3,81	3,56	3,02	2,47	2,15	2,30
POLICE . . . . .	...	...	...	...	...	...	...
Cantonment and Municipal	54	(i) 3,08	59	3,30	3,18	3,12	3,08
Cattle Pound . . . . .	...	(u) 1,91	...	...	...	1,91	1,91
Contribution for Abkari Police . . . . .	...	(v) 70	...	...	...	28	70
Ramoosi Fund Receipts . .	...	(t) 67	...	...	...	34	67
Other Receipts	1,84	1,84	1,70	1,74	1,57	1,55	1,57
MARINE	35	35	46	48	50	53	54
EDUCATION	2,24	2,24	2,50	2,62	2,76	2,65	2,65
MEDICAL	(x) 54	54	59	64	60	75	75
SCIENTIFIC, &c.	24	24	17	13	22	24	21
Total Civil Depts.	13,34	19,16	13,20	15,17	14,48	16,37	17,23
INTEREST	59	59	61	55	54	57	57
SUPERANNUATION	1,38	1,38	1,10	1,14	1,25	1,31	1,60
STATIONERY	40	40	61	49	59	60	60
MISCELLANEOUS	1,14	1,14	1,72	59	1,04	1,20	62
Total Miscellaneous	3,51	3,51	4,07	2,77	3,42	3,68	3,39
CIVIL BUILDINGS, &c. . . .	6,31	6,31	7,16	7,10	8,17	7,99	7,53
CONTRIBUTIONS	25	25	28	53	60	1,75	23
Total Receipts	2,79,90	2,87,75	2,82,79	3,06,62	3,03,64	3,26,48	3,16,28
OPENING BALANCE	F 32,19	31,92	44,79	44,89	61,32
GRAND TOTAL	3,14,98	3,38,54	3,48,43	3,71,37	3,77,60

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Provincial Expenditure—Bombay—1882-83 to 1886-87.

	ASSIGNMENT.		1882-83.	1883-84.	1884-85.	1885-86 (Revised.)	1886-87 (Budget.)
	Original.	In last year.					
REFUNDS	(d) 2,35	2,35	G 3,32	N 2,70	N 2,24	3,87	3,06
ASSIGNMENTS, &c.	(e) 15,13	15,13	H 14,27	H 15,88	H 14,57	H 14,68	H 14,74
LAND REVENUE	(f) 55,59	(j) 55,83	J 55,86	P 58,28	P 58,26	P 58,47	57,22
SALT	5,50	(k) 7,41	5,99	6,25	7,80	8,97	9,86
STAMPS	97	97	90	97	99	98	97
EXCISE	1,00	65	98	97	1,21	1,28	1,29
PROVINCIAL RATES . . . . .	...	(w) 55	...	...	...	57	55
CUSTOMS	7,72	(l) 5,81	6,11	5,66	5,40	4,87	4,95
ASSESSED TAXES	12	12	10	10	10	10	10
FOREST	5,89	(m) 5,76	6,31	7,72	8,82	8,92	9,26
REGISTRATION	1,18	1,18	K 1,21	1,41	1,47	1,50	1,47
Total Principal Heads of Revenue	95,45	95,76	95,05	99,94	1,00,86	1,04,21	1,03,47
POST OFFICE	89	89	89	90	90	1,17	1,07
TELEGRAPH . . . . .	...	...	14	55	7	7	7
Total Post Office and Telegraph	89	89	1,03	1,45	97	1,24	1,14
GENERAL ADMINISTRATION	12,35	12,35	12,14	12,45	12,67	12,68	12,58
LAW AND JUSTICE { COURTS	(y) 43,41	(n) 43,54	43,57	44,04	45,36	45,26	45,36
JAILS	8,54	8,54	7,14	6,71	6,51	6,30	6,54
POLICE	(g) 36,81	(p) 41,67	L 39,27	L 41,80	L 43,06	L 44,94	47,46
MARINE	40	(q) 90	33	71	87	62	70
EDUCATION	10,55	10,55	11,45	11,42	12,05	14,00	16,57
MEDICAL	(x) 11,58	(r) 11,63	11,96	12,30	12,83	12,99	13,53
POLITICAL . . . . .	...	...	3	2	2	2	2
SCIENTIFIC, &c.	1,51	1,51	1,50	1,64	2,07	3,03	2,45
Total Civil Departments	1,25,15	1,30,69	1,27,39	1,31,09	1,35,44	1,39,84	1,45,21
SUPERANNUATION	10,58	(l) 10,81	11,60	11,71	12,06	12,29	12,95
STATIONERY	4,74	(s) 5,19	5,42	5,77	5,32	5,70	6,12
MISCELLANEOUS	2,33	2,33	2,58	2,09	2,03	2,33	2,59
Total Miscellaneous	17,65	18,33	19,60	19,57	19,41	20,32	21,66
FAMINE RELIEF . . . . .	...	...	12	44	1	5	...
RAILWAY, MISCELLANEOUS	...	...	...	...	23	10	36
CIVIL WORKS	29,40	(m) 29,66	34,75	36,50	41,99	35,46	46,99
Total Public Works	29,40	29,66	34,87	36,94	42,23	35,61	47,35
CONTRIBUTIONS	4,52	(z) 5,58	5,12	R 4,76	4,63	8,83	6,47
Total Expenditure	2,73,06	2,80,91	2,83,06	2,93,75	3,03,54	3,10,05	3,25,30
CLOSING BALANCE . . . . .	...	...	31,92	44,79	44,89	U 61,32	U 52,30
GRAND TOTAL . . . . .	...	...	3,14,98	3,38,54	3,48,43	3,71,37	3,77,60
Surplus (+) or Deficit (-)	+6,84	+6,84	-27	+12,87	+10	+16,43	-9,02

Bombay Provincial Accounts, 1882—1887.

N.B.—The following table shows in abstract the deductions on account of Book Credits and Debits which have been made in compiling the accounts overleaf :—

	Amount reckoned in the calcula- tion of Contract.	ACTUALS.			ESTIMATED AMOUNTS.	
		1882-83.	1883-84.	1884-85.	1885-86.	1886-87.
<i>Receipt.</i>						
I.—Land Revenue—Rent of Resumed Police Service Lands and Ser- vice commutation	R 69,04,000	R 67,67,135	R 67,63,984	R 73,36,712	R 73,27,000	R 73,27,000
V.—Excise . . . . .	... 3,873	2,310	610	1,000	1,000	1,000
TOTAL	69,04,000	67,71,008	67,66,324	73,37,322	73,28,000	73,28,000
<i>Expenditure.</i>						
4. Assignments and Compensation	54,51,000	53,56,193	53,65,836	59,36,366	59,29,000	59,29,000
5. Land Revenue	10,89,000	9,36,877	9,24,802	9,18,486	9,17,000	9,17,000
20. Police	3,64,000	4,77,938	4,75,686	4,82,470	4,82,000	4,82,000
TOTAL	69,04,000	67,71,008	67,66,324	73,37,322	73,28,000	73,28,000

Notes explaining Bombay Provincial Account.

(a) In Contract 2,55,38
Deduct for Book Credits 69,04
1,86,34

(b) Deducted from Registration and added to Land Revenue.

(c) 5 deducted from Excise and added to Inter-Provincial Adjustment on account of Shāhjahānpar Rum.

(d) Amount shown here 2,35
Transferred to Law and Justice 63
Police 1
Medical 12
Miscellaneous 10

Figure in Contract 3,26

(e) After deduction of Book debits.

(f) Figure in Contract after deduction of Book debits 55,74
Add—Transferred from Registration for Record-room Receipts 2

Deduct—Half addition for Mamlatdars, &c. 17
55,59

(g) After deduction of Book debits.

(h) Owing to transfer of certain revenue from Excise to Land Revenue 14 is added to Land Revenue and 12 deducted from Excise, the difference being made up by the deduction of 2 from the Provincial share of the Land Revenue. Excise is further reduced by 35 on account of the Provincial share of the 70 transferred to Police.

(i) 24 added, viz., for Record-rooms 2
for Deputy Commissioner, Upper Sind Frontier, and Establishment 23
24

(k) 1,91 added, viz., for Preventive Establishment 71
Re-organisation of Southern Division 1,20
1,91

(l) Customs reduced by 1,91 on account of savings under Customs Establishment; Superannuations is increased also by 23, the difference between these (1,91—23=168), being the amount refunded to Imperial through the Land Revenue Head.

(m) Forest Public Works being transferred to Public Works to the extent of 26, the Provincial Forest expenditure was reduced by 13 and the other moiety was made up by an additional grant through Land Revenue.

(n) Increased by 13, viz., Deputy Commissioner, Upper Sind Frontier, &c. 8
Extra Process Serving Establishment 5
13

(p) Increased by 10 for Sind Frontier Police (transferred from Imperial), 2,54 for Cantonment and Municipal Police, 67 for Ramoossee Fund charges, 70 transferred from Excise and 85 for Pound Fees Collection Establishment, total 4,86.

(q) Increased by 50 for "Jhelum" and "Moeltan" transferred from Imperial.

(r) Increased by 5 for Port Surgeon, Aden, transferred from Imperial Marine.

(s) Increased by 45 on account of alteration of rate of Exchange.

(t) Taken at the figure in the last year on the Receipt side, a similar amount being added on the Expenditure side.

(u) These appear to have been taken as Provincial Receipts, and transferred to Local through Contributions. A corresponding amount has, therefore, been added to Contributions.

(v) See last sentence of (h).

(w) Added on both sides, having been brought on to the Accounts since the contract.

(x) 36 excluded from both receipts and expenditure on account of the contribution for and expenditure of the Gokaldass Tejpal Hospital, the accounts of which are now kept in a deposit ledger.

(y) 17 added for Mamlatdars, &c.

(z) 1,06 added for Ponnid Contributions (1,91 credited—85 debited under Police.)

A. The percentage obtained by calculation is 1,81,89
Add—Remissions of Land Revenue in 1882-83 covered by the special grant of 25,13
made by the Government of India on the revision of the contract 1,49

Balance 1,83,38

B. Shown under Registration in Accounts of 1882-83, but transferred to Land Revenue in subsequent years.

C. Grant made in 1884-85 8—reduction of Land Revenue in 1882-83 of 7= 1 in 1882-83.

Madras Provincial Accounts, 1882-1887.

ties, and owing to its being deprived of the Local Fund contribution for famine expenditure of 5,67, which the Local Government had thought itself entitled to). Excluding these special grants the increase would be only 75,38.

3. The grants for Administrative improvements mentioned in the preceding

Grants for Administrative im- paragraph were given to enable the Local Govern-
provements. ment to carry out such of the improvements named
below as might be possible :—

	Estimated cost per annum.
Improvement of Provincial Administration, including reorganisa- tion of Board of Revenue and creation of new districts .	4,93
Revision of the Subordinate Executive Staff	1,09
Reorganisation of Taluq Establishment	2,94
Improvement in the Subordinate Judicial Service	1,77
New Survey Party	1,27
	<hr/> 12,00 <hr/>

In the orders it was stated that “with this assistance the Provincial revenues must bear whatever may eventually turn out to be the whole cost of the various Administrative improvements now referred to.”

Towards the expenditure in the first item nothing appears to have been spent, save a little more than half a lakh a year for the creation of the Anantapur District. Under the second item there has been an increase of 32 a year for Deputy Collectors; under the 4th item the salaries of the Sub-Judicial Service have been raised by about 85 a year. Under the head of Revenue Survey, there has been an increase during the whole term of 8,50.

No reorganisation of the Taluq Establishment appears to have been undertaken.

4. Land Revenue has fluctuated considerably from year to year. The

Land Revenue.

contract figure for the percentage was 1,30,21; but the actuals have varied from 1,26,05 to 1,36,58.

On the whole, however, the actuals have brought in about 11 lakhs above the assignment figure during the term of the contract.

5. Under the other Revenue heads there has been a profit for the whole

term of 74,84. The increases are under Salt,
Principal Revenue Heads—Receipts. Stamps, Excise, Registration, and Forests. The ap-

parent increase under the last head, which is entirely Provincial in Madras, is very large (31,54), but the expenditure has also risen considerably. Under Registration too the gross increase (3,90) is considerably reduced by the extra expenditure under the same head. The figures under the above-mentioned heads, taking the last two net, have been as follows :—

	Average Assignment.	1882-83.	1883-84.	1884-85.	1885-86 (Revised).	1886-87 (Budget).	Improve- ment for whole term.
Salt	19	25	33	45	1,37	1,37	2,87
Stamps	28,41	23,04	28,75(a)	29,19(a)	30,25(a)	29,95(a)	2,17
Excise	30,90	32,29	33,06	33,66	43,70	42,40	35,61
Forests (net)	27	2,61	1,68	2,71	1,99	1,00	8,64
Registration (net)	77	64	75	1,15	1,40	1,11	1,20

Under Salt part of the increase in the last two years is said to be on account of recoveries from the licensees under the excise system of interest on

(a) Including the special grants from Imperial on account of copying stamps introduced after the contract.

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the outlay on salt works. Under Stamps the improvement shown above is exclusive of the increase (7,04), which is due to the introduction of the system of collecting certain copying fees by means of stamps, and is counterbalanced by a corresponding charge under Law and Justice, which did not previously enter the Accounts. The increase in Excise Revenue has been large and continuous, especially since 1883-84, when the whole system of Abkari administration was reorganised. Under Forests the Establishment was reorganised at a considerably increased cost; but the surplus has improved, as compared with the assignment, which was, however, fixed at too low a figure, the actual surplus for 1881-82 having exceeded two lakhs. Under Registration the increase is due to an increased scale of fees, which was accompanied by a Reorganisation of the Department at an increased charge.

6. Under Receipts of Civil Departments there has been a falling off under Law and Justice and Police, and an increase under the other heads. The falling off under Law and Justice is chiefly due to a decrease in hire of convicts and jail manufactures, counterbalanced to some extent by a corresponding decrease in expenditure, and that under Police to the relief of Municipalities from the payment of Police contributions. The variations under these heads are brought out by the following figures :—

	Assignment.	1882-83.	1883-84.	1884-85.	1885-86 (Revised).	1886-87 (Budget).	Loss on whole term.
LAW AND JUSTICE—							
Jail Receipts .	3,08	3,22	2,14	2,03	1,79	1,03	—4,29
Other Receipts .	4,30	4,28	3,67	4,13	3,94	4,01	—1,47
TOTAL .	7,38	7,50	5,81	6,16	5,73	5,04	—5,76
Expenditure under Jail Manufactures .	2,50	2,47	1,79	1,86	1,60	1,75	—3,03
POLICE—							
Municipal and Cantonment Police Contributions .	1,45	85	30	29	18	28	—5,35
Other Receipts .	3,06	2,89	3,01	2,93	3,12	3,02	— 33
TOTAL .	4,51	3,74	3,31	3,22	3,30	3,30	—5,68

Under Medical there is an increase chiefly in the last two years, due to the recoveries from Municipalities on account of Medical Stores. Under Scientific and other Minor Departments, there has been an improvement of 3,94 chiefly in the receipts from Cinchona Plantations (3,81) which is not a real increase, the sales having previously taken place in England, and the receipts, consequently, not having come under the Service head, but having been brought to credit through the adjusting head.

7. Under Miscellaneous Heads the variations have not been large, but there has been a falling off of about 86 during the whole term.

8. The receipts from Civil Buildings and Roads have fallen off, notwithstanding a transfer to this head of about 20 a year on account of rent of Police huts. There were exceptionally large receipts under the head of Sale of Tools and Plant in

Madras Provincial Accounts, 1882—1887.

1881-82; the receipts under Fines and Refunds have also fluctuated considerably.

9. On the Expenditure side there has been an increase under all heads, save Miscellaneous, but chiefly under the Principal Revenue Heads, Civil Departments and Civil Buildings, &c.

10. Under Principal Revenue Heads the increase is chiefly under Land Revenue (14,47), Forests (22,89), and Registration (2,73), these three accounting for more than 40 of the 42½ lakhs increase under this head. It has been shown in paragraph 5 that as regards the last two heads the Revenue has more than kept pace with the Expenditure, and there has been a net gain on the whole term. Under Land Revenue the increase has been mainly under Revenue Survey (8,50) and Settlement charges (3,56). The charges under these heads (which in Madras are wholly Provincial) for each year have been—

	Assignment.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.	Increase on whole term.
Revenue Survey	5,90	6,21	7,69	8,85	7,25	8,00	8,50
Settlement	1,87	2,36	2,57	2,70	2,52	2,76	3,56

Notwithstanding the special grant referred to in paragraph 3, the only material increase under Land Revenue has been that which has resulted from the creation of the Anantapur District (which caused an annual increase of about 19 under Salaries, and about 22 under Establishment) and from the appointment of four additional Deputy Collectors (about 25). The charges for each year and for the assignment have been—

	Assignment.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.	Increase on whole term.
Collectors' Establt.	34,80	35,03	35,17	35,64	34,89	35,12	1,85

There has been some small increase in Office Establishment and a large decrease in Contingent Expenditure, mainly owing to a very large reduction of the Revenue Process Service Establishment, and to the transfer to Establishment of the cost of the Subordinate Medical Establishment attached to Collectors' Offices.

In the Budget Estimate for 1885-86, an extra provision of 4½ lakhs was made under this head on account of the expected revision of establishments; but this revision is stated in the Budget Notes for 1886-87 to have been put off "owing to the financial pressure."

11. Under Civil Departments there has been an increase in General Administration (4,79), Education (7,03), Medical (7,56), and Scientific and Minor Departments (2,80), while there has been a decrease under Law and Justice (10,50) and Police (3,03).

12. Under General Administration about half the increase is due to the transfer to Provincial of the charge for certain establishments in Imperial and Provincial Offices, which was, before the revision of the contract, shown as Local Fund Expenditure, and is still borne by the Local Funds, being recovered through the Adjusting Head of Contributions; the rest of the increase occurs under the heads of Civil Secretariats and Board of Revenue; it is comparatively small, and in both

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cases is due apparently to ordinary fluctuations caused by the absence of officers on privilege leave, &c.

Education Charges.

	Estimate for 1892-93.	Estimate for 1896-97.
(a) Inspectors	7	9
Deputy Inspectors	40	71
Superintendents,		
Hill Tracts	1	8
Clerks and Servants	1,08	1,92

13. Under Education the principal increases are under Inspection, where there has been a rise in the number of Inspectors (a), Deputy Inspectors and their Establishment, and under Grants-in-aid and Payment by results (which are now shown together as Grants-in-aid).

The figures under the latter head have been—

Assignment.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.
2,65	3,27	3,33	3,75	4,00	3,33

Under other heads there have been fluctuations, but they are in some measure due to transfers between the minor heads; under Government Schools, General, some charges have been transferred to Municipalities; the expenditure has been as below :—

Assignment.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.
1,45	1,53	1,45	1,35	1,10	73

Under Government Schools, Special, the increase is partly due to the transfer to the head of Education of the charges for the School of Agriculture.

Medical—Charges.

14. The increase under Medical occurs chiefly under the heads shown below :—

	Assignment.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.
Medical Establishment	4 43	4,53	4,97	5,07	5,08	5,13
Hospitals and Dispensaries	3,06	3,01	2,98	3,21	4,10	4,14
Grants for Medical purposes	5	16	19	16	17	27
Lunatic Asylums	65	76	81	80	80	86
Medical College and School	79	87	90	91	91	86

Under Medical Establishment the increase is mainly on account of Native and Assistant Surgeons, who have increased from one to twenty-one in number, and from 7 to 49 in 1884-85, 55 in 1885-86, and 56 (including Reserve) in 1886-87, in cost; there has also been an increase in the Travelling Allowance charged under this head from 5 in the Assignment to 17 in 1886-87. A portion of the above increase is recovered from Local Boards by a rate of a half per cent. on their receipts, as the increase in the number of Assistant Surgeons was made partly in their interests. Under Hospitals and Dispensaries the greater part of the increase in the last two years (70 in 1885-86 and 80 in 1886-87) arises from the inclusion in the Accounts of the cost of Medicines and Surgical apparatus, for Municipal and Local Dispensaries, recovered and credited under Medical and Contributions; the remainder of the increase is due to enhancement of the contributions paid for Medical Subordinates employed under Municipal and Local Funds from about 22 in the Assignment to 45 in 1886-87. Under Lunatic Asylums the number of keepers and servants has increased from 1,46 in 1882-83 to 1,74 in 1886-87, the whole charge for Establishment having accordingly risen from 14 to 20; the charges for diet and clothing have also risen from 34 in the Assignment to an estimate of 47 in 1886-87; but the actuals of 1884-85 were only 38 and the revised for 1885-86 is put at 39; the increase in 1886-87 is not explained. Some Lunatic Asylum expenditure is also now charged to Local; but the nature of this is not shown in the estimates.

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Under Medical College the Professors have been increased by two, and the clerks and servants by seven, since 1882-83; the estimate for Salaries and Establishment in 1886-87 exceeds the assignment by nearly 13.

15. Of the increase under Scientific and Minor Departments about half is owing to certain Census charges, which were not brought to account till 1882-83. There has also been a rise in the charge for Public Exhibitions and Fairs, for Model Farms, and for Emigration. The increase would have been much larger but for the transfer to Education of the charges of the School of Agriculture, as mentioned above.

16. Of the decrease under Law and Justice about 3 lakhs are apparently due to the charges for copyists not having come up to the amount originally estimated. The rest of the decrease is entirely under the head of Jails, there having been a considerable increase under some of the other heads. The decrease in the charge for Jail manufactures has already been mentioned (paragraph 6). There has also been a large fall under the other Jail heads. The figures for the various classes of Jails are given below:—

	1880-81.	Assign- ment.	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.
Presidency Jail .	62	63	61	53	51	55	54	62
Central Jails .	3,36	3,37	3,02	2,76	2,49	2,52	2,73	2,94
District Jails .	3,12	3,06	2,37	2,10	1,99	1,94	2,04	2,69
Lock-ups .	84	80	77	73	67	71	71	71

The decreased charge is almost entirely under the head of Rations, and of Diet-money to prisoners in Lock-ups. The regular estimate for 1881-82 is not divided into details for all the minor heads, but it was evidently based on the actuals for 1880-81 (which are accordingly exhibited above), and taking the same amount for rations in the assignment as was actually spent in 1880-81, the saving is very marked—

	Assignment.	1881-82.	1882-83.	1883-84.
<i>Rations, &c.—</i>				
Presidency Jail . . .	26	23	19	16
Central Jails . . .	2,25	1,90	1,61	1,27
District Jails . . .	1,98	1,42	1,06	98
Lock-ups . . .	72	65	62	56
TOTAL .	5,21	4,20	3,48	2,97

The increased charge in 1886-87, as compared with 1885-86, is due to the transfer of nearly one lakh on account of Jail guards to this head from the head Police.

Under the other heads of Law and Justice there has been an increase in the charge for the Appellate Branch of the High Court, which is, for the most part, nominal, as it is owing to the practice of passing through the Accounts certain charges for "Printing and Translation" on behalf of private suitors which were estimated to cost more than 30 in 1885-86: in the charge for Civil and Sessions Courts, partly owing to the improvement in the pay of Sub-Judges and Munsifs: and in the charge for Criminal Courts corresponding with the increase in Collectorate charges under Land Revenue.

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17. Under the head of Police the main fluctuations have been under the head of District Executive Force. The provision for Supplies and Services and Contingent charges under this minor head in the assignment was abnormally large, and thus, though the charge for the Force has risen (the number having been raised from 21,755 to 22,137 men), the full amount of the assignment has not been worked up to in any year. In 1886-87 there would have been an increased charge under this head but for the transfer of nearly 1 lakh on account of Jail guards to the head of Law and Justice.

18. Under Miscellaneous Heads there has been a steady rise under Superannuations, though, for the first two years, the actuals did not come up to the figure assumed in the Contract. The expenditure is shown below :—

Assignment.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.
8,69	8,40	8,62	9,16	9,52	9,76

The charge for Police pensions has more than doubled, having risen from about one lakh to over two lakhs.

19. Under Stationery and Printing there has been an increase in the cost of the Government Press, and a fall in the charge for Stationery supplied from Central Stores; correcting the assignment figure for the latter, by the additional grant of 65 made on account of the alteration of the rate of exchange, the figures under these two minor heads are as follows :—

	Assignment.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.
Government Presses	2,22	2,91	3,05	2,80	2,70	2,78
Stationery supplied from Central Stores	4,54	4,01	4,78	3,98	4,00	4,00

The increase under Government Presses is chiefly in the charge for the Secretariat Press, but there is a rise also in Collectorate Press charges. In the Secretariat Press, the Establishment has been increased by an Assistant Superintendent (on Rs300 a month), seven Clerks, Printers and Examiners, thirty-six Readers, Compositors, and Pressmen, and four Servants, costing in all about 25 more than the contract figure; the charges for Supplies and Services and Contingencies have also cost 1,27 more than the Assignment figure during the term of the Contract.

20. The decrease under Miscellaneous has more than counterbalanced the rise under the two preceding heads; charges under this head always fluctuate more or less; most minor heads show a decrease; a great part of the falling off is due to a provision of 1,00 in the Regular Estimate of 1881-82 for unforeseen charges, the expenditure brought to account under that head having been—

1882-83.	1883-84.	1884-85.
21	1	1

There has been a large increase in the charge for rewards for destruction of wild animals: the figures under this head are shown below :—

Assignment.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.
24	50	82	1,21	1,17	1,20

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21. Under Irrigation the Revenue has decreased, while the Expenditure has increased, and the net result has been an excess expenditure of about 8,00 over and above the Assignment figure, which gave a net Expenditure of 2,13 a year. In connection with this head may be noted the repayment, including interest, of nearly 6 lakhs on account of money advanced from Imperial for the Madras Water Works.

22. Under Civil Buildings and Roads the expenditure has been far (25½ lakhs) above the Assignment figure, which Civil Buildings, &c.—Charges. was itself increased by 2 lakhs by a special grant from Imperial.

The expenditure under this head has been much higher than during the previous contracts, as is shown by the following figures :—

1871-72	11,20	} Average of 6 years 14,75.
1872-73	.	.	.	.	.	.	.	10,93
1873-74	.	.	.	.	.	.	.	18,06
1874-75	.	.	.	.	.	.	.	26,33
1875-76	.	.	.	.	.	.	.	10,94
1876-77	.	.	.	.	.	.	.	11,07
1877-78	19,61	} Average of 5 years 17,50.
1878-79	.	.	.	.	.	.	.	25,71
1879-80	.	.	.	.	.	.	.	11,64
1880-81	.	.	.	.	.	.	.	15,88
1881-82	.	.	.	.	.	.	.	14,65
1882-83	20,02	} Average of 5 years 24,03.
1883-84	.	.	.	.	.	.	.	24,60
1884-85	.	.	.	.	.	.	.	29,15
1885-86	.	.	.	.	.	.	.	21,84
1886-87	.	.	.	.	.	.	.	25,55

23. Besides the heads of Public Works already mentioned, the Madras Government has spent 5,14 on Famine Relief, and Other Public Works—Charges. 1,07 on Miscellaneous Railway expenditure. During the current year it has a payment of 50 to make, under the head of Subsidised Railways, for the line between Metapollum and Coonnoor.

24. Under the head of Contributions the Local Government has, on the whole, spent about 4,00 net. Large sums have Contributions. been entered in the Accounts as Contributions to Provincial, which were really Contributions to Imperial; they were credited to Provincial in the accounts and then passed to the credit of Imperial through the Land Revenue head; these items have been thrown out in the Statement of Account appended to this Note.

25. But for the contribution of six lakhs taken by India in 1886-87 (which is excluded in the Accounts appended to this Note Financial position in current year. as abnormal expenditure), the Province would, notwithstanding the largely increased expenditure referred to, have augmented its balance by 12 lakhs. After providing for an expenditure of 24½ lakhs for Civil Buildings, &c., and a sum of about 4½ lakhs (net) for Irrigation, besides more than 1 lakh for the Madras Water Works advance now nearly paid off, the Province has a surplus of 3 lakhs on the year's Estimates.

The 7th August 1886.

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Provincial Receipts—Madras—1882-83 to 1886-87.

	ASSIGNMENT.		1882-83.	1883-84.	1884-85.	1885-86 (Revised).	1886-87 (Budget).
	Original.	In last year.					
LAND REVENUE.							
Percentage	(a) 1,30,21	1,30,21	1,35,76	1,36,58	1,26,05	1,32,08	1,31,65
Special Grants for Administrative Improvements . . . . .	...	...	6,50	2,50	5,00	5,00	5,00
Recurring Adjustments—							
Stationery Loss by Exchange . . . . .	...	65	65	65	65	65	65
Medicines to Government servants at Ooty . . . . .	...	1	...	...	1	1	1
Bangalore prisoners . . . . .	...	2	...	...	...	3	2
Savings in Customs . . . . .	...	—43	—28	—43	—43	—43	—43
School of Ordnance Artificers . . . . .	...	—4	...	...	—4	—4	—4
Non-recurring Adjustment—							
Conservation of Ancient Monuments . . . . .	...	...	...	...	5	...	...
Interprovincial Adjustments . . . . .	...	...	—1	G—97	6	—16	—4
Total Land Revenue	1,30,21	1,30,42	A 1,42,62	11 1,38,53	P 1,31,35	T 1,37,14	X 1,36,82
SALT	19	19	25	38	45	1,37	1,37
STAMPS	27,00	(k) 28,90	26,01	J 28,70	J 29,20	J 30,25	J 29,95
EXCISE	30,90	30,90	32,29	33,06	38,66	43,70	42,40
CUSTOMS	50	50	38	41	25	27	27
ASSESSED TAXES	2,35	2,35	2,30	2,33	2,16	2,30	2,30
FORESTS	2,40	(c) 4,81	9,07	9,51	11,67	12,22	13,10
REGISTRATION	2,88	2,88	2,90	3,16	3,79	4,30	4,13
Total other Principal Revenue Heads	66,22	70,53	73,23	77,67	86,18	94,41	93,52
LAW AND JUSTICE { COURTS }	7,38	7,38	{ 4,28	3,67	4,13	3,91	4,01
JAILS			3,22	2,14	2,03	1,79	1,93
POLICE	4,51	4,51	3,74	3,31	3,22	3,30	3,30
MARINE	22	22	5	5	5	6	6
EDUCATION	1,72	1,72	1,89	2,13	2,11	1,91	1,83
MEDICAL	64	64	62	1,08	84	1,24	1,20
SCIENTIFIC, &c.	1,01	1,01	1,95	1,57	1,73	1,94	1,80
Total Civil Departments	15,43	15,48	15,75	13,95	14,15	14,21	14,13
INTEREST	3	3	3	3	2	3	3
SUPERANNUATION	34	34	B 55	B 21	22	21	24
STATIONERY, &c.	70	70	82	73	84	93	78
MISCELLANEOUS	1,01	1,01	76	79	73	81	75
Total Miscellaneous	2,08	2,08	2,16	1,76	1,81	2,01	1,80
IRRIGATION, &c.	1,15	1,15	1,41	55	53	53	54
CIVIL BUILDINGS AND ROADS	1,78	1,78	79	1,47	1,08	1,12	1,10
Total Public Works	2,93	2,93	2,20	2,02	1,61	1,65	1,64
CONTRIBUTIONS	1,15	1,15	C 1,64	K 1,46	Q 1,29	U 1,93	Y 2,01
Total Receipts	2,18,07	2,22,59	2,37,60	2,35,19	2,36,39	2,51,35	2,49,92
OPENING BALANCE . . . . .	...	...	D 17,09	L 28,49	28,21	18,51	26,02
GRAND TOTAL . . . . .	...	...	2,54,69	2,63,68	2,64,60	2,69,86	2,75,94

N.B.—For Notes see overleaf.

Madras Provincial Accounts, 1882—1887.

Madras—Provincial Expenditure—1882-83 to 1886-87.

	ASSIGNMENT.		1882-83.	1883-84.	1884-85.	1885-86 (Revised).	1886-87 (Budget).
	Original.	In last year.					
REFUNDS	(b) 71	(b) 71	99	1,77	90	89	71
LAND REVENUE . .	42,62	(d) 42,71	43,80	45,68	47,43	44,95	46,18
STAMPS	72	72	71	78	84	80	80
EXCISE	1,05	1,05	99	1,00	1,16	V 1,79	1,22
CUSTOMS	2,32	(e) 1,80	1,85	1,70	1,60	1,68	1,68
ASSESSED TAXES . .	4	4	3	3	4	4	4
FOREST	2,13	(c) 4,54	6,45	7,86	8,95	10,23	12,10
REGISTRATION . .	2,10	2,10	2,26	2,41	2,61	2,90	3,02
Total Principal Revenue Heads . .	51,69	53,67	57,08	61,23	63,56	63,28	65,75
POST OFFICE . . .	1,08	1,08	1,06	1,18	1,11	1,09	1,07
GENERAL ADMINISTRATION . .	9,53	9,53	10,54	10,07	10,51	10,78	10,53
LAW AND JUSTICE { COURTS	(b) 37,63	(f) 39,55	38,31	38,75	39,46	39,39	39,77
{ JAILS	10,62	10,62	9,04	7,89	8,02	8,04	9,17
POLICE	38,58	38,58	37,53	37,84	38,23	39,06	38,22
MARINE	17	17	5	8	27	20	39
EDUCATION	10,42	(g) 10,38	11,06	11,66	12,37	12,47	11,46
MEDICAL	9,80	(h) 9,81	10,23	10,85	11,18	12,04	12,27
SCIENTIFIC	3,48	3,48	5,18	3,98	3,68	3,59	3,84
Total Civil Departments	1,20,23	1,22,12	1,21,94	1,21,12	1,23,72	1,24,57	1,25,65
SUPERANNUATION . .	8,69	8,69	8,40	8,62	9,16	9,52	9,76
STATIONERY, &c. . .	6,48	(j) 7,13	7,26	8,51	7,61	7,60	7,72
MISCELLANEOUS . .	(b) 4,33	4,33	2,77	2,59	2,82	2,83	2,74
Total Miscellaneous . .	19,50	20,15	18,43	19,72	19,59	19,95	20,22
FAMINE RELIEF . .	...	...	1,35	32	57	2,80	10
SUBSIDISED RAILWAYS . .	...	...	...	...	...	...	50
RAILWAY CONSTRUCTION . .	...	...	8	12	6	46	35
IRRIGATION & NAVIGATION . .	3,28	3,28	3,53	3,33	4,45	6,23	4,66
CIVIL BUILDINGS AND ROADS . .	18,93	18,93	20,02	24,60	29,15	21,84	24,55
MADRAS WATER WORKS (INCLUDING INTEREST) . .	...	...	1,00	1,48	1,18	1,14	1,10
Total Public Works . .	22,21	22,21	25,98	29,55	35,41	32,47	31,26
CONTRIBUTIONS . .	1,12	1,12	E 1,71	M 2,37	2,70	2,48	2,92
Total Expenditure . .	2,15,83	2,20,35	2,26,20	2,35,47	2,46,09	2,43,84	2,46,87
CLOSING BALANCE . .	...	...	F 28,49	N 28,21	S 18,51	W 26,02	29,07
GRAND TOTAL . .	...	...	2,54,69	2,63,68	2,64,60	2,69,86	2,75,94
Surplus (+) or Deficit (—) . .	+2,24	+2,24	+11,40	—28	—9,70	+7,51	+3,05

N.B.—For Notes see overleaf.

Madras Provincial Accounts, 1882—1887.

Notes explaining Madras Provincial Account.

(a) The Land Revenue was taken not in the Assignment, but refunds are shown on the charge side in the Accounts; 29 have therefore been added on both sides (to Land Revenue Receipts and to Refunds), being the Provincial Share of an assumed Land Revenue Refund of one lakh.

(b) Refunds as shown in Original Assignment

Add as by (a)	1,09
	29
	<u>1,38</u>

Deduct Law and Justice Refunds (shown under service head)	50
Miscellaneous Refunds (ditto ditto)	17
	<u>67</u>

Balance as shown here	<u>71</u>
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(c) The whole of the Forest Revenue and Expenditure was provincialised without any alteration in the Land Revenue percentage. The same amount 2,41 has therefore been added on both sides.

(d) One-third of the pay of the Customs Collector being 777-12-5 a month or Rs. 933 a year was transferred to Land Revenue.

(e) The original grant is diminished by—	
Savings by reduction	43
Transfer to Land Revenue, see (d)	9
	<u>52</u>

(f) Increased by 2 on account of the grant for Bangalore prisoners in Madras jails and by 1,90 being the estimated amount of the special receipts and charges for copying, vide (h).

(g) Decreased by 4 on account of the transfer of the Ordnance Artificers' school to Military.

(h) Increased by 1 on account of medicines supplied to Government servants at Ootacamund.

(j) Increased by 65 on account of alteration of rate of exchange for Stationery charges.

(k) The amount added (1,90) is the estimated amount of the new receipts due to the levy of copying fees by means of stamps. These receipts are not distinguishable in the Accounts and estimates; but are taken at twice the Imperial grant, as that grant is intended to restore the Imperial half share of them.

A. In Finance Accounts	1,37,21
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Add—

(1) Refund of Famine outlay by Local Funds, taken by deduction from Contributions (receipts)	4,10
(2) Madras Water Works deduction shown as expenditure	1,00
(3) Census charges refund taken by deduction from opening balance.	90
	<u>5,00</u>

Total	1,43,21
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Deduct—

(4) Refunds from Imperial to Local for executing Imperial Works	25
(5) Tanjore Survey grants excluded as eventually refunded (the net grant of 22 being added to the opening balance)	34
	<u>59</u>

Balance shown here	<u>1,42,62</u>
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	1882-83.	1883-84.
B. In Accounts	56	23
Here	55	21
	<u>1</u>	<u>2</u>

The difference is the amount of subscriptions to the Indian Civil Service Family Pension Fund first credited to Provincial, but transferred to Imperial in 1884-85, through the Land Revenue Head.

C. In Accounts	5,74
Deduct—Vide item (1) of Note A.	4,10
	<u>1,64</u>

Balance shown here	<u>1,64</u>
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D. Opening balance in Accounts	13,73
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Add—

(1) For Tanjore Survey Grants, see A (5)	22
(2) For Local Funds balances transferred to Provincial	4,04
	<u>4,26</u>

Total	17,99
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(3) Deduct—For Census expenditure, see A (3)	90
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Balance shown here	<u>17,09</u>
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E. In Accounts	1,96
Deduct—Vide item (4) of Note A.	25
	<u>1,71</u>

Balance shown here	<u>1,71</u>
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F. In Accounts	24,58
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Add—

(1) Addition of Local Fund balances, see D (2)	4,04
	<u>28,62</u>

Total	28,62
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Deduct—

(2) Tanjore Survey Grant subsequently refunded (difference between A (5) and D (1))	12
(3) For Civil Service Family Pension Fund Subscriptions (vide B) subsequently refunded	1
	<u>13</u>

Balance shown here	<u>28,49</u>
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G. Cinchona Transactions in England	-1,03
Ordinary adjustments	+ 6
	<u>- 97</u>

H. In Accounts	1,37,82
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Add—Items taken by deduction from Contribution Receipts—

(1) Salary of Local Fund Accounts Inspector	23
(2) Famine outlay refunded to Imperial from Local Fund	62
(3) Local Fund Contribution for Imperial Works	5
(4) Madras Water Works Refund with Interest shown as Expenditure	1,48
	<u>220</u>

Total	1,40,20
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Deduct—

(5) Tanjore Survey Grant subsequently refunded	1,20
(6) Grant to reconp for copying stamps taken under Stamps	67
	<u>1,87</u>

	<u>1,38,33</u>
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Madras Provincial Accounts, 1882—1887.

J. These amounts include the grant made from Imperial to Provincial, through the Land Revenue, on account of Copying Stamps.

K. In Accounts	2,36
Deduct total of Items (1), (2) and (3) of Note H	90
Balance shown here	1,46

L. In Accounts	23,62
Deduct total of Items (2) and (3) of Note F	18
Balance shown here	23,49

The addition from the Local Fund Balances was brought into the opening Provincial Balance of 1883-84.

M. In Accounts	2,23
Add transferred to Local from balance, vide note to Accounts of 1884-85	14
2,37	

N. In Accounts	29,70
Deduct—	
(1) Tanjore Survey Grants F (2) and H (5) (afterwards refunded)	1,32
(2) I. O. S. F. P. Subscriptions B	3
(3) Transfer to Local as in M	14
Balance shown here	28,21

P. In Accounts	1,31,50
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Add Deductions from Contributions—

(1) Salary of Local Fund Accounts Inspector	12
(2) Famine outlay refunded to Imperial from Local Fund	46
(3) Local Fund Contribution for Imperial Works	1
(4) Water Works Refund shown as Expenditure	1,18
(5) Indian Civil Service Family Pension Fund subscriptions already deducted	3
1,33,80	

Reduced by—

(6) Tanjore Survey Grant (net)	1,00
(7) Copying Stamps Grant shown against Stamps	95
1,95	
1,31,85	

Q. In Accounts	1,88
Deduct total of Items (1), (2) and (3) of Note P.	59
Balance shown here	1,29

S. In Accounts	20,83
Deduct Tanjore Survey Grants refunded in 1885-86 and 1886-87	2,32
Balance shown here	18,51

T. In Estimate	1,33,67
Add Deductions from Contributions—	
(1) Salary of Local Fund Accounts Inspector	12
(2) Famine Outlay refunded to Imperial	33
(3) Local Fund Contribution for Imperial Works	4
(4) Madras Water Works Refund shown as Expenditure	1,14
(5) Tanjore Survey Refund	1,00
(6) Excise Establishment Refund shown as Expenditure	1,79
Total	1,38,09

Reduced by—

(7) Copying Stamps Grant shown against Stamps	95
Balance shown here	1,37,14

U. In Estimate	2,42
Deduct total of T (1), (2) and (3)	49
Balance shown here	1,93

V. See T. (6).

W. In Estimate	27,34
Deduct Tanjore Survey Grant refunded in 1886-87	1,32
Balance shown here	26,02

X. In Estimate	1,27,82
Add Deductions from Contributions—	
(1) Salary of Local Fund Accounts Inspector	12
(2) Famine Outlay refunded to Imperial	15
(3) Local Fund Contribution for Imperial Works	4
(4) Madras Water Works Refund shown as Expenditure	1,10
(5) Tanjore Survey Refund	1,32
(6) Excise Establishment Refund shown as Expenditure	1,22
(7) Contribution to Imperial	6,00
1,37,77	

Reduced by—

(8) Copying Stamps Grant shown against Stamps	95
1,36,82	

Y. In Estimate	2,32
Deduct total of X (1), (2) and (3)	31
Balance shown here	2,01

3 N 2

Bengal Provincial Accounts, 1882—1887.

APPENDIX VI.

PROVINCIAL RECEIPTS AND EXPENDITURE DURING TERM OF CONTRACT—BENGAL.

[N.B.—The figures in this note represent thousands of Rupees—thus 1,21,34 means Rs.1,21,34,000.]

The following table shows in abstract the Provincial Receipts and Expenditure, actual or estimated, for the term of the current contract :—

1	RECEIPTS.								EXPENDITURE.							
	ASSIGNMENT.		1882-83.	1883-84.	1884-85.	1885-86. (Revised.)	1886-87. (Budget.)	+ or —	ASSIGNMENT.		1882-83.	1883-84.	1884-85.	1885-86. (Revised.)	1886-87. (Bud- get.)	+ or —
	Original.	In last year.							Original.	In last year.						
Revenue—																
Stage	1,21,34	1,21,34	1,23,55	1,21,91	1,20,31	1,21,66	1,22,90	+6,69	...	...	...	...	...	...	...	...
Room Re-	45	45	42	76	77	76	77	+1,23	...	...	...	...	...	...	...	...
ing Adjust-	...	-1,07	-63	+1	-1,07	-1,07	-1,07	...	...	...	...	...	...	...	...	...
curring Ad-	...	...	1,88	7	2,50	5	...	...	...	...	...	...	...	...	...	...
Provincial	65	65	1,80	96	1,35	1,81	1,28	+3,99	...	...	...	...	...	...	...	...
or cent. for	2,11	2,11	3,91	3,69	3,91	4,31	4,35	+9,68	...	...	...	...	...	...	...	...
ment Es-	1,24,55	1,23,48	1,30,96	1,27,43	1,27,84	1,30,55	1,28,23	+21,59	48,28	46,49	47,09	48,27	48,61	48,83	52,08	+11,7
Total	1,61,70	1,62,20	1,64,29	1,71,05	1,70,72	1,70,71	1,73,62	+39,64	1,99,95	2,00,61	2,09,37	2,12,35	2,18,71	2,18,25	2,18,59	+71,8
Revenue	39,31	39,31	39,30	37,48	37,78	38,30	38,82	-5,02	23,18	23,59	26,83	21,59	26,63	27,59	28,12	+15,0
Departments	6,24	6,24	8,17	9,78	10,82	10,77	10,53	+18,86	...	...	3	1	1	1	1	+
ous	...	...	...	...	...	...	...	...	...	...	...	...	6	1,00	...	+1,0
ways—	20	20	3,35	30	...	...	...	+2,65	13,08	13,08	18,49	8,27	1,32	71	75	-36,3
Receipts or	...	...	...	...	...	...	...	...	...	...	11	40	58	25	...	+1,3
Expenditure	...	...	...	...	...	...	...	...	16,27	16,27	16,98	17,56	17,62	16,53	16,65	+3,9
...	...	...	...	...	...	...	...	...	24,02	24,02	17,18	5,03	2,02	9,37	4,00	-87,5
...	...	...	...	...	...	...	...	...	50	50	1,43	1,87	1,60	66	72	+3,7
...	7,05	7,05	7,36	7,91	12,61	7,22	7,41	+7,29	67,62	67,77	67,29	47,19	30,14	27,73	33,06	-1,34,6
...	...	...	...	...	...	...	...	...	3,31	3,31	2,62	3,20	2,31	2,00	2,00	-4,3
...	3,39,08	3,38,51	3,53,43	3,53,95	3,59,77	3,57,55	3,58,69	+85,01	3,95,21	3,95,61	4,07,39	3,68,56	3,54,61	3,52,81	3,59,34	-1,41,2
...	...	...	75,43	21,47	6,86	12,02	16,76	...	...	...	21,47	6,86	12,02	16,76	16,11	...
...	...	...	4,28,86	3,75,42	3,66,63	3,69,57	3,75,45	...	...	...	4,28,86	3,75,42	3,66,63	3,69,57	3,75,45	...
...	-57,13	-57,13	-53,96	-14,61	+5,16	+4,71	-65	...	...	...	...	...	...	...	...	...

N.B.—The + or— in columns 9 and 17 shows the difference between the total Receipts or Expenditure of the 5 years (including the Revised Estimate for 1885-86 and Estimate for 1886-87) as compared with 5 times the average assignment.

2. The total receipts for the period amount to 17,83,39 against an assign-

Total Receipts and Expenditure compared with Assignment. ment of 16,98,38, or an increase of 85,01, and the expenditure to 18,42,71 against an assignment of 19,83,98, or a decrease of 1,41,27. The expenditure has exceeded the actual receipts by 59,32, having been met to that extent by drawing on the balances, which have been reduced from 75½ to 16 lakhs.

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3. The principal features of the Account are the increase of income under the Revenue and Miscellaneous Heads, the increased expenditure on Civil Departments and the large reduction of expenditure on Irrigation and on Civil Buildings and Roads. In connection with the large decrease in expenditure on the whole, it must be borne in mind that the Assignment figures showed a deficit of more than 57 lakhs, so that the expenditure taken in the assignment was not reckoned normal expenditure, but some reduction was anticipated. The expenditure for the whole term shows that the Local Government has found it necessary to reduce its yearly expenditure by rather less than half of the deficit with which it commenced.

4. Under Land Revenue proper there has been a slight improvement, chiefly in the last two years. The increase under Record Room Receipts includes the extra assignment granted by the Government of India in consequence of the transfer of these receipts and charges from Registration (where the receipts and charges are equally shared by Imperial and Provincial) to Land Revenue (where Provincial receives only about one-third of the income, and bears the whole of the charges); the increase is therefore nominal and is counterbalanced by the increased charges. In the percentage (10 per cent.) on Government Estates the Provincial Government has gained (9,68), the income having been nearly double the figure at which it was estimated, while the expenditure under the corresponding head has increased by only 5,21; it must, however, be remembered that some of the expenditure, to meet which this percentage is given, is classed under other heads than Land Revenue.

5. Under the other Revenue Heads there has been a large increase under Stamps (24,81), Provincial Rates (12,67), and Registration (4,15); there has also been a small increase under Excise (3,71) and Forests (55). The other heads have fallen off, especially Assessed Taxes (3,58) and Salt (1,70).

6. The increase under Stamps is exclusive of about 2,25 of new revenue (half of which is credited to Imperial and refunded to Provincial through the Land Revenue Head), which is counterbalanced by new expenditure, certain process service charges under the Road-cess Act, formerly kept outside the accounts, being now collected by means of stamps. The increase has been mostly under Court-fees (21,45), which are estimated to bring in for the current year 5,80 more, as the Provincial share, than the Assignment figure of 1881-82. The rise has been steady and continuous during the term of the contract.

7. Provincial Rates have increased steadily; the Public Works Cess, which forms the bulk of this head, has risen from about 35 to 38 lakhs a year.

8. Under Registration there has been some increase in expenditure, but the net improvement for the term of the contract amounts to 3,03.

9. Under Excise there has also been an increase in expenditure (1,10) especially in the current year, but the net improvement has been 2,61. The increase would have been much greater but for a serious falling off in 1885-86 and 1886-87, due partly to unfavourable seasons and partly to a change of system, which has also occasioned an increase of expenditure and has thus still further diminished the net revenue.

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10. Under Forests the Expenditure has fluctuated to a certain extent with the Revenue, but has increased for the whole term by only 21: thus giving a net increase of 34.

Forests—Net Improvement.

11. Assessed Taxes have throughout been below the Assignment figure; in Salt Receipts the fall is entirely under Rents of Warehouses. These and the smaller fall in Customs Receipts are attributed in whole or in part to depression in trade.

12. Under Receipts of Civil Departments there has been a considerable decrease under Law and Justice (4,52) and Scientific, &c., Departments (5,67), and an increase under Police (5,39). The other heads have on the whole brought in amounts differing but slightly from the Assignment figure.

Civil—Departments—Receipts.

13. Under Law and Justice the decrease is entirely under the Court heads (6,39), there having been an increase under the Jail heads (1,87). The decrease occurs under the head of General Fees, Fines, and Forfeitures (6,32), and is mainly due to smaller receipts from fines. The Assignment figure for Jail receipts was fixed very low, and though the receipts have on the average exceeded that figure, they have really fallen considerably, compared with the actuals of 1881-82, owing to the discontinuance, for a time, of those Jail industries, which, though most remunerative, were considered to compete with private enterprise. The receipts under this head are, however, reviving, the revised estimate for 1885-86 being about a lakh below the actuals. The figures under these two main heads of Law and Justice during the term of the contract, with the assignment and the actuals of 1881-82, are given below—

	Assign- ment.	1881-82.	1882-83.	1883-84.	1884-85.	1885-86. Revised.	1886-87. Budget.
COURTS	9,00	9,05	8,23	7,64	7,54	7,55	7,65
JAILS	7,00	8,11	8,47	6,46	7,29	7,45	7,20

14. Under Police the principal increases have been in Recoveries on account of Village Police, due largely to revision of assessments; in Pound Receipts, due to the system of farming out the Pounds; and in the Police clothing receipts, due to a change of system, under which the recoveries on this account from the men are credited and the whole charges are shown on the expenditure side, whereas formerly only the Government grant was shown on the charge side, and no receipts were credited. This portion of the increase (about 1,50) is therefore nominal. The Steam Boiler fees have also increased considerably, but owing to extensive frauds, only a small portion of the actual receipts were credited to Government in 1882-83 and 1883-84. There has been a nominal decrease under Police Superannuation Receipts, owing to the transfer of Municipal Police charges to Government. The superannuation subscriptions of Government Police are taken by deduction from pay.

Police—Receipts.

15. Under Scientific, &c., Departments the Assignment figure included 88 on account of cinchona receipts brought to credit in the Home Accounts, which do not appear to have recurred. Leaving these out of account the decrease has been only 97, and is due entirely to the cinchona receipts in India, which have fallen by 1,83, while there have been increases under other heads, chiefly Emigration, the receipts from which, while fluctuating considerably from year to year, have always been above the Assignment figure, and for the whole term show an improvement of 49.

Scientific, &c., Departments—Receipts.

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16. Under Miscellaneous heads there has been a very large increase under Miscellaneous Heads—Receipts. Interest (2,28) and Miscellaneous (17,32). Superannuation (46) and Stationery (28) Receipts have fallen off very slightly.

17. The main increase under Miscellaneous has been in unclaimed Deposits. Since the Provincial contract was framed these have been credited net, after deducting refunds; the net amount, therefore, must be taken for purposes of comparison with the actuals during the term of the contract. This net amount was taken in the Assignment at 1,36 (4,25—289), while the following amounts have been realised :—

1882-83.	1883-84.	1884-85.	1885-86. Revised.	1886-87. Budget.
2,76	3,75	4,41	4,40	4,40

About 13 lakhs of the increase under this head are thus accounted for. Partition fees have also increased, but this increase is balanced by a correspondingly increased charge; the levy from Municipalities of Fees for Government Audits (first levied in 1883-84), and larger recoveries from Local Funds for the cost of Controlling and Account Offices, make up the rest of the increase.

18. Under Interest there have been larger receipts both from interest on Government Securities, belonging to the Education Department, and from the interest on arrear collections of the Public Works Cess. By far the larger part is due to the latter head, but the exact increase, as compared with the Assignment, cannot be stated, as the Revised Estimate for 1881-82 did not distinguish these two classes of receipts. The actual and estimated Revenue from 1881-82 onwards is given below :—

	Assign- ment.	1881-82.	1882-83.	1883-84.	1884-85.	1885-86 Revised.	1886-87. Budget.
INTEREST ON GOVERN- MENT SECURITIES . . .	} 20 {	11	19	15	19	18	15
MISCELLANEOUS . . .		10	25	53	55	56	53

19. Under Superannuations a portion of the small decrease is due to the reduction of the rates of contribution.

20. Under State Railways the contract showed a net receipt of 20, which has changed to an estimated net charge of 3,36 according to the Budget of 1886-87.

The detailed figures are given below, including in the receipts the grant paid by the Government of India on account of the deprovincialisation of the Calcutta and South-Eastern Railway :—

	Assign- ment	1882-83	1883-84	1884-85.	1885-86	1886-87.
GROSS RECEIPTS . . .	32,19	37,88	41,24	43,10	44,13	47,94
EXPENDITURE—						
Working Expenses . . .	19,08	20,40	25,00	30,72	29,82	30,60
Interest . . .	12,91	14,14	15,94	17,15	19,19	20,70
	31,99	34,54	40,94	47,87	49,01	51,30
Net Receipts (+) or Expendi- ture (—) . . .	+20	+3,34	+30	—4,77	—4,88	—3,36

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The net loss, as compared with the Assignment figure, is 10,36.

21. A statement has been furnished by the Railway Department, Bengal, giving details for each Railway, and from this the following table has been compiled, which shows how each Railway has contributed to the above net result. In the case of the Calcutta and South-Eastern Railway, credit is taken in 1884-85 to 1886-87, both for the Imperial grant and for the interest refunded yearly by the Government of India:—

	Assignment.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.	Net gain (+) or loss (—) compared with As- signment.
Northern Bengal . . .	+98	+3,70	+49	—1,82	+37	+1,08	—1,08
Tirhoot { Open Section . . .	...	+25	—1,31	—2,57	—2,24	—1,10	...
{ Unopen Section . . .	...	—1,06	—83	—42	...	...	...
Total Tirhoot . . .	—55	—1,41	—2,14	—2,99	—2,24	—1,10	—7,13
Patna-Gya	+33	—15	+96	+79	+99	+81	+1,75
Calcutta and South-Eastern . . .	—41	+1,04	+1,23	+1,07	+1,31	+1,31	+8,01
Nalhati	—13	+10	+11	—10	—1	—2	+73
Dacca { Open Section . . .	...	...	...	—19	—1,83	—2,19	...
{ Unopen Section . . .	...	—8	—63	—1,14	—89	...	...
Total Dacca . . .	...	—8	—63	—1,33	—2,72	—2,19	—6,95
Kaunia-Dharlla (no Interest charged against this Rail- way) . . . . .	...	+16	+40	+37	+17	+25	+1,35
Assam-Bihar (Unopened) . . .	—2	—2	—11	—75	—2,10	—3,17	—6,05
	+20(a)	+3,31	+31	—4,76	(b) —4,23	(b) —3,03	—9,37

In the case of the Northern Bengal Railway the Interest charge has been almost stationary; the loss on that Railway is due to enhanced working expenses, which show an increase (for 1886-87, as compared with the Assignment) of 5,90 against an increase in Receipts of 5,73. In the case of the other Railways which show a loss, that result is mainly due to the Interest charges on unopened lines or sections of lines.

22. Under Civil Buildings and Roads the Revenue has been in excess of the assignment each year; but the bulk of the increase under this head is due to the large receipts of 1884-85, which exceeded the Assignment figure by 5,55. This is partly due to the credit in that year of recoveries on account of zemindari embankments under the contract system (1,10), which have in 1885-86 been credited to Irri-

(a) The details in this column are approximate only, as the details of the Revised Estimate for 1881-82 for Interest are not available. The total is correct.

(b) The figures for 1885-86 are actuals and those for 1886-87 are based on the latest information available; the net result, therefore, differs slightly from that given above as far as these years are concerned.

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gation, and partly to an extraordinary credit in the same year (4,62) under the head of Fines, Refunds, and Miscellaneous. Ferry receipts, which are the main item under this head, have remained stationary.

23. The principal increases of expenditure under Revenue Heads occur under Land Revenue (7,37), Stamps (79), Excise (1,10), Customs (1,03), and Registration (1,11).
Revenue Heads—Charges.

24. Under Land Revenue a considerable portion of the increase (5,21) occurs in the charges for Government Estates, but this is more than covered, as remarked above (para. 4), by the increased income from the special 10 per cent. grant made by the Government of India. Under Collectors and their establishments there has been an increase of about $2\frac{1}{4}$ lakhs, in addition to the enhanced charge of $1\frac{1}{2}$ lakhs a year allowed in the contract for the Khulna District and the improvement of the pay of Deputy Collectors, &c., and to the charges for service of Road Cess Processes, brought on to the accounts since the contract. This increase is mainly due to increased establishments for Collectors and Deputy Collectors and to an increase in Partition establishments, this latter being covered by the increase in Partition Fees (see para. 17). Under Survey and Settlement charges the total amount expended corresponds pretty closely with the assignment; the charge in 1886-87 is, however, nearly double the assignment, chiefly owing to the cost of the Demarcation work in Mozufferpore (2,70), the Provincial share of which is 85. Charges for Sub-divisional Establishments have increased slightly, owing to the enhancement of the pay of Sub-Deputy Collectors; and allowances to Village Officers have also risen.

25. Under Stamps the increased charge is mainly due to the discount which necessarily rises with the enhanced Revenue. The rise would have been greater but for the transfer of certain establishment charges of the Calcutta Collectorate to the head of Excise.
Stamps—Charges.

26. The increased charge under Excise is partly due to this transfer and partly to the change of system referred to above (see para. 9).
Excise—Charges.

27. Under Customs, allowance was made after the contract for a reduction of 2,29 in establishments, but this has not been quite worked up to.
Customs—Charges.

28. The increase under Registration is more than covered by increased Revenue.
Registration—Charges.

29. Under the Civil Departments there has been increased expenditure on all Heads, except Marine (7,15) and Medical (2,73); the increase under Law and Justice (2,00), Police (24,51), and Education (28,39), has been considerable; under &c., Departments, (2,00) the increase has also been proportionate; while under General Administration (3,56) the rise is small.
Civil Departments—Charges.

30. Under General Administration the chief increase is in the cost of the establishment of the Examariat Establishment (52), chiefly Expenses (1,33) and Local Fund Accounts (91). There has also been an increase in the revenue shows an increase (61) almost entirely in salaries, but there have been no changes in the sanctioned scale; the Board of Revenue shows an increase (61) almost entirely in salaries, but there have been no changes in the sanctioned scale; the assignment figure was 1- owing to acting appointments in 1881-82.
General Administration.

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31. The increase under Law and Justice appertains to the Court Heads to the extent of 16,50 and to Jails to the extent of 6,53. Under the Court Heads the main increase is

Law and Justice—Charges.

under Civil and Sessions Courts (17,36, if the whole of the 1,50 added in the contract for Deputy Collectors, &c., and the Khulna District, be taken as an addition to the grant for Criminal Courts, as was apparently the intention), and is due mainly to the improvement in the pay and increase of the numbers of Sub-Judges and Munsifs (9,45), and to the consequent increase in Establishment (4,46) and Contingencies (2,62). Charges for the service of Judicial Processes account for the rest of the increase under this head. The High Court charges have also increased (1,52), mainly owing to the appointment of Additional Judges and the establishment required for them. The charge for Criminal Courts has increased, compared with the Actuals of 1881-82, but has not reached the contract figure (including the additional 1,50, as mentioned above), which allowed for the improvement in the pay of Deputy Magistrates and for the extra cost of the Khulna District. Under the Jail heads there has been an increase in all heads except Jail Manufactures (4,95), which were reduced under the policy mentioned above (see paragraph 13), but have now risen again above the Assignment figure. For the Presidency Jail the increase (1,03) is chiefly due to the appointment of a non-Medical Superintendent in place of the Medical Officer who formerly held charge of the Jail; to an increase in the pay of the Deputy Superintendent; and to the substitution of warders for police constables for guarding the Jail; rations have also cost more than the Assignment figure, owing both to the larger number of prisoners and to the higher price of provisions. These last two causes account to a considerable extent for the increased charge for Central Jails (4,98), a portion of which is, however, due to the re-elevation of the Hazaribagh Jail to a Central Jail with a special Superintendent and increased establishment. The cost of rations again is responsible for a large portion of the increase under District Jails (4,00); the rest of the increase being due to the creation of a Reserve of Warders. Under School of Industry the excess cost is largely due to the establishment of a new Reformatory School at Hazaribagh in 1882.

32. Under Police the main increase has been in the District Executive Force (24,72), owing chiefly to the transfer of Municipal Police to Government, which has added

Police—Charges.

about $4\frac{1}{2}$ lakhs a year to the charge under this head, partially counterbalanced by the transfer of about $1\frac{1}{2}$ lakhs under Education and Medical to Municipalities. The substitution of Sub-Inspectors for Head Constables in charge of outposts accounts for some portion of the further increase, and contingent charges have also risen chiefly under Clothing, Good-conduct money, and Petty Construction and Repairs. The increase under Clothing is to some extent nominal (see para. 14). Municipal Police charges have decreased in every year, except the first, when the charges for the Municipal Police transferred to Government were for half a year shown under this head. Under Village Police there has been an increase of 2,12, which has been partially covered by an increase in the receipts. The charge for Presidency Police has risen (38), chiefly owing to the increased proportion of the charge for the Suburban Police (three-fourths instead of one-half) borne by Government; the increase of charge would have been greater but for a change of the Municipal year, owing to which the Presidency Police charges for only $4\frac{3}{4}$ years, instead of 5 years, have been paid during the contract. Under charges for the Collection of Pound Fees, &c., there has been a considerable reduction (1,89) under the farming system.

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33. Under the head of Education the greater portion of the increased charge falls under Grants-in-Aid (18,30). There has been increase in the charges for Government Schools (5,55), perceptible in schools of almost every class; in Inspection charges (2,23), additional Inspectors of every class having been appointed; in Professional Colleges (1,16)—the Engineering College, Howrah;—and in Scholarships (1,34), partly due to the institution of Agricultural Scholarships.

34. Under Scientific and Minor Departments the increase is in the main due to the creation of the Agricultural Department (54), with the consequent special provision for expenditure on Model Farms (12) and the Veterinary College (25), which has not been utilised; to increased expenditure on Cinchona Plantations (69), Exhibitions and Fairs (1,12), specially the Calcutta International Exhibition; and to special charges for Provincial Statistics (43) and Census (39). The Local Government has also incurred additional expenditure (62) in connection with the Meteorological Department, which is charged in detail in the Imperial accounts, being recovered from the province through the Land Revenue Head.

35. Under Marine the decrease is nominal and is chiefly due to the large assignment for Building and Repair of Ships, which exceeded the actual expenditure of 1881-82 by more than a lakh. There have been increases under this head in the Purchase and Hire of Ships and Vessels (1,54)—the Pilot vessel *Sarsuti*—and in Subsidies to Steamboat Companies (1,20) for the steamer service from Dhubri to Dibrugarh.

36. Under Medical the decrease is mainly due to the transfer of Hospitals and Dispensaries to Municipalities, the decrease being shown both under the head of Hospitals and Dispensaries (2,85) and under Grants for Medical Purposes (2,29). The Sanitation (4,30) and Vaccination (82) Departments have cost more than the Assignment.

37. Of the Miscellaneous Heads the largest increase is under Superannuations (11,15); but Stationery and Printing (1,92) and Miscellaneous (1,95) have also risen. The increase shown for Superannuations is in addition to that for the special Customs pensions, for which the Government of India has made special grants, amounting to 2,84.

38. Under Stationery and Printing the chief increase is in the cost of the Stationery Office, the establishment of which has been increased, and of the Secretariat Press, which is counterbalanced to some extent by the reduction of the charge for the Presidency Jail Press and for printing done by private Presses.

39. Under Miscellaneous there have been fluctuations under all the minor heads; the most important increases are the charges for Commissions of Enquiry (2,42)—fifteen in all, the principal of which are Ministerial Establishments (1,01), Village Chaukidari (39), Excise (43), Rent Bill (12), Local Self-Government (12), Cholera (11), and Calcutta Municipal (11); and for Charitable Donations (68), chiefly the Calcutta Female Nurses' Institution, the original grant for which for 1886-87 was fixed at 37, but is now to be reduced to 25.

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40. Under Famine Relief the expenditure has been confined to two years, 1884-85 and 1885-86. The expenditure was carried out through Local Boards.

Famine Relief.

41. The Expenditure shown as Capital expenditure on State Railways includes the amounts paid as contributions for Railways, constructed out of Imperial Funds, and all miscellaneous expenditure for Railway Surveys, &c. The bulk of the expenditure was incurred in the first two years. It averages 5,90 a year, against the assignment of 13,08, showing a reduction of more than 7 lakhs; the principal sums expended were for the Calcutta and South-Eastern and the Northern Bengal State Railways.

42. Under Irrigation the figures of the Assignment and of 1882-83 have been re-arranged to correspond with the accounts for subsequent years, when the Calcutta and South-Eastern Canal was transferred to the class of works for which Capital and Revenue Accounts are kept.

Irrigation—Net Charge.

The detailed figures, on which the net result given in the abstract has been worked out, are given below :—

	Assign- ment.	1882-83.	1883 84.	1884-85.	1885-86. (Revised.)	1886-87. (Budget)
MAJOR WORKS—						
Receipts	10,72	13,03	11,70	13,08	13,50	13,30
Working Expenses	9,45	11,48	10,69	11,80	11,67	11,25
Surplus of Receipts over Working Expenses	1,27	1,55	1,01	1,28	1,83	2,05
Interest	20,80	21,15	21,61	22,13	22,54	22,89
Net Loss (—)	—19,53	—19,60	—20,60	—20,85	—20,71	—20,84
MINOR WORKS—						
Receipts	6,90	7,68	7,92	7,78	8,00	8,14
Working Expenses	3,61	5,05	4,83	4,55	3,82	3,95
Net Profit (+)	3,26	2,63	3,04	3,23	4,18	4,19
Total Net Loss (—)	—16,27	—16,97	—17,56	—17,62	—16,53	—16,65

As regards the Major Works (Productive Public Works), the surplus of receipts over working expenses has improved in the last two years; but the increased interest charge has more than swallowed this up, and the net result has been above a lakh worse than the assignment in every year except the first (worse by 4,95 for the whole term).

Under Minor Works, the surplus of receipts over expenditure has also improved during the last two years; and as no interest is chargeable on these works, the Province has received the benefit of this improvement, which for the whole term, however, amounts to 97 only. The net result is a loss on the whole of about 4 lakhs.

43. The capital expenditure on Canals has averaged $6\frac{1}{2}$ lakhs against an assignment of 24 lakhs. There has thus been a reduction under this head alone of $17\frac{1}{2}$ lakhs a year, or $87\frac{1}{2}$ lakhs for the whole term. During the last four years the expenditure has averaged about $3\frac{3}{4}$ lakhs.

Canals—Capital Expenditure.

Bengal Provincial Accounts, 1882—1887.

44. The expenditure on Agricultural Works is on account of embankments and is recovered in the Civil Department. The recoveries have hitherto been credited under Civil Buildings, &c., but from 1885-86 they have been credited as Irrigation Receipts (Civil); this credit accounts for the reduction of the charge in the Revised Estimate for 1885-86 and the Budget of 1886-87.

45. In Buildings and Roads the reduction of expenditure has been very large; the average expenditure has been 41 lakhs per annum, which is $26\frac{1}{2}$ lakhs below the assignment. The expenditure in the first two years of the term was considerably above this average, and during the last three years the expenditure has averaged only a little over 30 lakhs.

The Provincial Expenditure for the past 10 years has been as follows:—

1877-78	26,16	Average of the 5 years. 41,75
1878-79	.	.	.	.	.	33,48
1879-80	.	.	.	.	.	33,84
1880-81	.	.	.	.	.	47,69
1881-82	.	.	.	.	.	67,58
1882-83	67,29	41,08
1883-84	.	.	.	.	.	47,19
1884-85	.	.	.	.	.	30,14
1885-86	.	.	.	.	.	27,73
1886-87	33,06	

The average expenditure has been about the same as during the last quinquennial term, though it has been incurred in exactly the opposite way, the heavy expenditure occurring at the commencement, instead of at the end, of the term.

The principal original works on which expenditure has been incurred have been the Secretariat Offices at Calcutta and Darjeeling and several Jails and Court-houses in various Districts.

46. The Contributions, which consist for the most part of grants-in-aid for special purposes to Local Funds, have decreased, as compared with the Assignment. They have, however, been considerably in excess of the amounts paid under this head during the previous contract. The amounts then paid were—

1877-78.	1878-79.	1879-80.	1880-81.	1881-82.
31	1,93	1,75	1,96	2,26

which gives an average of 1,64 against 2,43 during the present term.

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Provincial Receipts—Bengal—1882-83 to 1886-87.

	ASSIGNMENT.		1882-83.	1883-84.	1884-85.	1885-86, (Revised.)	1886-87, (Budget.)
	Original.	In last year.					
LAND REVENUE—							
Percentage (excluding Record-room Receipts)	1,21,34	1,2,34	1,23,55	1,21,94	1,20,34	1,24,66	1,22,90
Record room Receipts	A 45	45	42	L 76	L 77	L 76	L 77
Ten per cent. for Government Estates	2,11	2,11	3,94	3,69	3,94	4,31	4,35
Recurring adjustments—							
Marine	...	B 65	65	65	65	65	65
Civil Buildings, &c.	...	C 15	I 8	15	15	15	15
Superannuations	...	D 41	...	M 1,61	41	41	41
Medical	...	E 16	...	N 6	16	16	16
Customs	...	F—2,29	J—1,36	—2,29	—2,29	—2,29	—2,29
Meteorological	...	—15	...	O —17	—15	—15	—15
Non-recurring adjustments	...	...	K 1,88	P 7	S 2,50	V 5	...
Inter-Provincial Adjustments	65	65	1,80	96	1,36	1,84	1,28
Total Land Revenue	1,24,55	1,23,48	1,30,96	1,27,43	1,27,84	1,30,55	1,28,23
SALT	1,60	1,60	1,65	1,00	1,24	1,20	1,20
STAMPS	59,00	59,00	61,07	62,88	64,96	65,75	66,28
Grant on account of Road Cess Process Fees collected by stamps	...	G 50	...	Q 38	25	25	25
EXCISE	49,00	49,00	48,94	52,13	50,26	48,38	49,00
PROVINCIAL RATES	35,40	35,40	36,07	38,15	37,65	38,63	39,17
CUSTOMS	80	80	71	54	61	60	57
ASSESSED TAXES	8,25	8,25	7,60	7,59	7,48	7,50	7,50
FOREST	3,14	3,14	3,47	3,47	2,86	2,85	3,60
REGISTRATION	A 4,51	4,51	4,78	4,91	5,41	5,55	6,05
Total other Principal Heads of Revenue	1,61,70	1,62,20	1,64,29	1,71,05	1,70,72	1,70,71	1,73,62
LAW AND JUSTICE {COURTS JAILS.	9,00 7,00	9,00 7,00	8,23 8,47	7,64 6,46	7,54 7,29	7,55 7,45	7,65 7,20
POLICE	5,26	5,26	4,86	5,63	6,96	7,18	7,06
MARINE—							
Port Approaches (c)	...	...	...	...	...	...	...
Other Receipts	8,68	8,68	9,52	8,96	7,72	8,18	8,48
EDUCATION	5,28	5,28	5,21	5,32	5,24	5,31	5,56
MEDICAL	1,38	1,38	1,33	1,42	1,48	1,36	1,41
SCIENTIFIC AND OTHER MINOR DEPARTMENTS	2,74	2,74	1,68	2 05	1,55	1,27	1,46
Total Civil Depts.	39,34	39,34	39,30	37,48	37,78	38,30	38,82
INTEREST	20	20	44	67	74	74	68
SUPERANNUATION	70	70	73	75	62	51	49
STATIONERY	1,34	1,34	1,46	1,21	1,08	1,44	1,23
MISCELLANEOUS	H 4,00	4,00	5,54	7,15	8,38	8,08	8,18
TOTAL MISCELLANEOUS	6,24	6,24	8,17	9,78	10,82	10,77	10,58
STATE RAILWAYS	32,19	32,19	36,82	39,83	41,31	W 42,58	W 46,19
IRRIGATION AND NAVIGATION	10,72	10,72	13,03	11,70	13,07	13,50	13,30
Total Revenue from Productive Public Works	42,91	42,91	49,85	51,53	54,38	56,08	59,49
STATE RAILWAYS	...	...	1,07	1,41	1,57	W 1,25	W 1,45
D. SPECIAL GRANT	...	...	...	...	U 22	X 30	30
IRRIGATION AND NAVIGATION	6,90	6,90	7,68	7,92	7,78	8,60	8,74
CIVIL BUILDINGS, ROADS, &c.	7,05	7,05	7,36	7,91	12,61	7,22	7,44
Total Receipts from Public Works not classed as Productive	13,95	13,95	16,11	17,24	22,18	17,37	17,93
CONTRIBUTIONS	2	2	...	...	20	...	...
Total Receipts	3,88,71	3,88,14	4,08,68	R 4,14,51	4,23,92	4,23,78	4,28,67
OPENING BALANCE	...	...	75,43	21,47	6,86	12,02	16,76
GRAND TOTAL	...	...	4,84,11	4,35,98	4,30,78	4,35,80	4,45,43

N.B.—For Notes see overleaf.

Bengal Provincial Accounts, 1882—1887.

Provincial Expenditure—Bengal—1882-83 to 1886-87.

	ASSIGNMENT.		1882-83.	1883-84.	1884-85.	1885-86 (Revised.)	1886-87 (Budget.)
	Original.	In last year.					
REFUNDS	Y 1,28	1,28	1,21	1,42	1,40	1,24	1,12
LAND REVENUE—							
Government Estates	Z 1,95	1,95	2,59	2,88	2,75	3,17	3,56
Charges	(a) 32	(a) 32	(a) 36	66	66	(b) 15	(b) 15
Revenue Record-room	28,91	(b) 29,41	28,34	29,50	29,33	29,45	31,61
Charges	...	...	19	...	...	...	...
Other Charges	...	...	18	...	21	...	19
OPIUM	17	17	18	18	21	18	2,50
SALT	2,17	2,17	2,14	2,20	2,34	2,46	1,96
STAMPS	1,33	1,31	1,31	1,36	1,44	1,62	4,98
EXCISE	6,95	4,66	5,58	4,86	4,98	4,86	4,98
CUSTOMS	50	50	47	48	47	45	45
ASSESSED TAXES	1,98	1,98	1,91	1,91	2,06	1,85	2,35
FOREST	(a) 2,72	(a) 2,72	(a) 2,78	2,79	2,97	3,00	3,18
REGISTRATION							
Total Principal Revenue Heads	48,28	46,49	47,09	48,27	48,61	48,83	52,08
TELEGRAPH . . . . .	...	...	...	3	1	1	1
GENERAL ADMINISTRATION	14,86	14,86	15,10	15,45	16,06	15,66	15,59
LAW AND JUSTICE—	74,03	74,03	76,13	76,21	77,32	79,36	77,87
COURTS	15,90	15,90	16,63	16,97	16,77	17,24	18,41
JAILS	41,52	41,52	44,61	45,86	48,02	45,83	46,82
POLICE							
MARINE—							
Port Approaches (c)	...	...	...	...	...	...	...
"Undaunted"	...	65	65	46	54	60	58
Other Charges	9,25	9,25	8,86	8,23	7,93	7,38	7,38
EDUCATION	26,83	26,83	30,16	31,55	34,00	33,00	33,92
MEDICAL	14,56	(d) 14,72	13,72	13,64	14,56	14,30	14,50
POLITICAL . . . . .	...	...	...	...	...	...	...
SCIENTIFIC, &c.	3,00	(e) 2,85	3,51	3,98	3,51	3,88	3,52
Total Civil Depts.	1,99,95	2,00,61	2,09,37	2,12,35	2,18,71	2,18,25	2,18,59
SUPERANNUATION—							
Special Customs	...	41	(g) 1,20	(g) 41	41	41	41
Other Charges	9,50	9,50	10,59	10,99	11,58	12,16	13,33
STATIONERY, &c.	10,18	10,18	10,51	9,28	10,86	11,18	10,98
MISCELLANEOUS	3,50	3,50	4,53	3,71	3,98	3,84	3,40
Total Miscellaneous	23,18	23,59	26,83	24,39	26,83	27,59	28,12
FAMINE RELIEF . . . . .	...	...	...	...	6	1,00	...
STATE RAILWAYS—							
Interest	12,91	12,91	14,14	15,04	17,15	19,19	20,70
Working Expenses	19,08	19,08	19,50	23,99	29,52	W 28,72	W 29,40
IRRIGATION AND NAVIGATION—							
Interest	20,80	20,80	21,15	21,61	22,12	22,54	22,89
Working Expenses	9,45	9,45	11,48	10,69	11,80	11,67	11,25
Total Expenditure on Productive Public Works (Revenue Account)	62,24	62,24	66,27	72,23	80,59	82,12	84,24
STATE RAILWAYS—							
Working Expenses	...	...	90	1,01	1,20	W 1,10	W 1,20
Capital	58	58	1,82	(k) 1,65	1,32	71	75
SUBSIDISED RAILWAYS	...	...	11	40	58	25	...
IRRIGATION—							
Capital	(f) 24,02	(f) 24,02	(h) 17,18	5,03	2,02	4,37	4,00
Working Expenses	(f) 3,61	(f) 3,61	(h) 5,06	4,88	4,55	3,82	3,95
Agricultural Works	(f) 50	(f) 50	1,43	1,87	1,60	1,26	1,32
CIVIL BUILDINGS AND ROADS—							
Special Grants	...	15	8	15	15	15	15
Ordinary Expenditure	67,62	67,62	67,21	47,04	27,63	27,58	32,91
Write-off of Port Canning Loan	...	...	...	...	2,36	...	...
Total Expenditure on Public Works not classed as Productive	96,36	96,51	93,79	62,03	41,41	39,24	44,28
CONTRIBUTION FOR PRODUCTIVE CAPITAL	12,50	12,50	(j) 16,67	(k) 6,62	...	...	...
CONTRIBUTIONS	3,33	3,33	2,62	3,20	2,54	2,00	2,00
Total Expenditure	4,45,84	4,45,27	4,62,64	4,29,12	4,18,76	4,19,04	4,29,32
CLOSING BALANCE	...	...	21,47	6,86	12,02	16,76	16,11
GRAND TOTAL	...	...	4,84,11	4,35,98	4,30,78	4,35,80	4,45,43
Provincial Surplus (+) or Deficit (—)	—57,13	—57,13	—53,96	—14,61	5,16	4,74	—65

N.B.—For Notes see overleaf.

Bengal Provincial Accounts, 1882—1887.

Notes explaining Bengal Provincial Account,

A. The sum of 45 shown under Registration in the original scheme and Accounts for 1882-83, has been transferred to Land Revenue under which head these Receipts are now shown.

B. Special grant for *Undaunted*.

C. Grant for Cemeteries 8, Nizamat Buildings 5, River Bank 2, Total 15.

D. The net deduction was 1,83, made up of 2,29, for Customs Establishments, reduced by 41, for extra pensions.

E. Pay and house-rent of Ophthalmic Surgeon, formerly a Military charge.

F. See D.

G. Road Cess, Process Service fees are now collected by means of stamps; as half is credited to Imperial, a grant of a corresponding amount is made to Provincial. The full addition has been made to the Assignment, but half of this in the Accounts comes under Stamps. A corresponding addition has been made to the Expenditure side under Land Revenue where the expenditure falls.

H. Reduced by refunde (2,89) of unclaimed Deposits, as such Deposits are now taken net in the Accounts.

I. The grant for Cemeteries alone was given in this year. (See C.)

J. The full amount of reduction in the Customs Department (see D) was not realised this year.

K. Census Charges 1,77

Dr. Watt's remuneration for accompanying Munipore Expedition 18

1,95

Deduct—

Adjustment of Survey Charges (re-adjusted next year). —7

1,88

L. Percentage of gross Record Room Fees, plus grant of 50, from Government of India.

M. Special grant in this year to cover special expenditure on gratuities to Customs Department.

N. Charges for Ophthalmic Surgeon (see E.) for portion of year only.

O. Includes also grant for portion of previous year.

P. Re-adjustment of Survey Charges. (See K.)

Q. The figures in this line in the actuals represent the Imperial grant (see G.). In this year the grant was given for half of 1882-83 and whole of 1883-84.

R. Exceeds actuals by Rs35,87, which amount is added to both sides to get rid of the adjustment by transfer of the past expenditure on certain Railway lines to Productive Public Works Expenditure.

S. Re-transfer of Contribution for Productive Public Works to correct error 48

Grant to recoup for Civil Furlough Allowances wrongly charged to Provincial 79

Grant to cover half debit on account of Port Canning Loan 1,18

Grant for Goompahar Road 4

Grant for Ancient Monuments 7

Deduct refund of Indian Service Family Pension Fund receipts —6

2,50

U. Grant to recoup for transfer of Calcutta and South-Eastern State Railway to Imperial for three-fourths of the year.

V. Grant for Goompahar Road.

W. The Kankaria-Dhurla Railway Receipts and working expenses are separated off, as in former years.

X. Grant for whole year. (See U.)

Y. Refunds other than those of Principal Heads of Revenue have been distributed over the various Service Heads, the difference under them is thus accounted for.

Z. Excluded from the original scheme because a Special Grant was given to meet it; it has been brought on both sides now, as it is included in the Accounts.

(a) Record Room charges transferred to Land Revenue from Registration, as on the Receipt side. (See A.)

(b) 50 Added to the assignment on account of the new item of Road Process Service charges. (See G.)

(c) Made over to Port Commissioners, so the provision of 1,76, on the Receipt side, and 1,75, on the Expenditure side, are both omitted.

(d) Includes 16, for Ophthalmic Surgeon. (See E.)

(e) Reduced by 15 for the Meteorological contribution to Imperial, which was a new charge.

(f) The capital expenditure on the Calcutta and South-Eastern Canal, for which Capital and Revenue Accounts have been kept only since 1883-84, has been shown as "Capital," as otherwise no comparison of the figures would be possible. The balance left under the head of Working Expenses is the actual figure of 1881-82.

(g) The extra expenditure for Customs gratuities occurred as shown, though the grant was made in 1883-84.

(h) 8,78, in round numbers, has been transferred from Working Expenses to Capital on account of the Capital expenditure on the Calcutta and South-Eastern Canal for the reason given in Note (f).

(j) Shown as Non-Productive Public Works Expenditure in Accounts, but transferred here subsequently.

(k) The figure shown in the Accounts is —27,60

To which add (See R) 35,87

8,27

which is distributed between—

Capital Non-Productive 1,65

Contribution 6,62

8,27

In these years remuneration to copyists is taken under contract contingencies, so that a comparison with the previous years' figures is impossible.

Assam Provincial Accounts, 1882-1887.

APPENDIX VII.

PROVINCIAL RECEIPTS AND EXPENDITURE DURING TERM OF CONTRACT—
ASSAM.

[N.B.—The figures in this note represent thousands of Rupees,—thus 24.47 means Rs24,47,000.]

The following table contains an abstract of the Provincial Receipts and
Expenditure of Assam during the term of the
Contract:—

General abstract.

	RECEIPTS.								EXPENDITURE.							
	ASSIGNMENT.		1892-93.	1893-94.	1894-95.	1895-96, (Revised.)	1896-97, (Budget.)	+ or —	ASSIGNMENT.		1892-93.	1893-94.	1894-95.	1895-96, (Revised.)	1896-97, (Budget.)	+ or —
	Original.	In last year.							Original.	In last year.						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
<i>Land Revenue—</i>																
Percentage . . .	21.47	21.47	21.31	21.89	25.51	25.91	26.10	+4.39	...	...	...	...	...	...	...	...
Recurring adjustments	...	58	12	1.17	1.18	58	58	...	...	...	...	...	...	...	...	...
Non-recurring adjustments	...	...	...	...	4	...	...	...	...	...	...	...	...	...	...	...
Inter-Provincial adjustments	...	3	-32	-29	-21	-37	-27	-1.61	...	...	...	...	...	...	...	...
TOTAL	21.47	25.08	21.11	25.77	26.55	26.12	26.41	+2.78	}	8.71	8.82	8.76	8.82	9.02	9.20	9.75
<i>Other Revenue Heads</i>	13.66	13.66	15.01	15.56	15.97	16.02	16.39	+10.61		8.82	8.76	8.82	9.02	9.20	9.75	+1.41
<i>Civil Departments</i>	2.59	2.59	2.78	3.06	3.11	3.11	3.21	+2.32	19.43	19.91	19.72	21.62	22.38	21.57	22.60	+7.49
<i>Miscellaneous</i>	35	35	31	31	30	33	33	-14	1.72	1.72	1.22	1.38	1.40	1.37	1.47	-1.76
<i>Post Office</i>	...	...	...	...	...	...	...	...	...	...	1	...	1	1	1	+4
<i>State Railways—</i>																
Capital . . .	...	...	...	...	...	...	...	...	...	...	...	1.06	4.88	2.71	48	+9.14
Net revenue or expenditure	...	...	...	...	...	...	1	+1	...	...	...	...	3	5	...	+8
<i>Subsidised Railways</i>	...	...	...	...	...	...	...	...	...	...	...	...	58	1.00	1.05	+2.63
<i>Irrigation, &c.</i>	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
<i>Civil Buildings and Roads</i>	20	20	16	10	5	6	6	-57	7.16	7.18	5.15	4.70	5.80	5.01	7.48	-7.72
<i>Contributions</i>	...	...	...	...	...	...	...	...	3.16	3.16	6.12	7.77	5.99	3.47	6.69	+14.24
TOTAL	41.27	41.88	42.37	44.83	45.98	45.64	46.41	+15.04	40.18	40.79	40.98	45.35	50.01	44.39	49.53	+25.55
<i>Opening or Closing Balance</i>	...	...	10.40	11.79	11.27	7.21	8.46	...	...	...	11.79	11.27	7.21	8.46	5.34	...
GRAND TOTAL	...	...	52.77	56.62	57.25	52.85	54.87	...	...	...	52.77	56.62	57.25	52.85	54.87	...
<i>Surplus (+) or deficit (-)</i>	...	...	...	...	...	...	...	...	+1.09	+1.09	+1.39	-52	-4.06	+1.25	-3.12	...

N.B.—The + or — in columns 9 and 17 shows the increase or decrease in the receipts or expenditure of the five years (including the Revised Estimate for 1895-96 and the Budget Estimate for 1896-97), as compared with five times the average assignment.

2. The assignment provided an annual surplus of 1.09. Against an assignment of 2.10,19 for the five years, the Province has collected an income of 2.25,23, or 15.04 in excess.

Assam Provincial Accounts, 1882-1887.

Against an estimated expenditure of 2,04,74, the actual outgoings have been 2,30,29, or 25,55 in excess. The receipts of the five years have fallen short of the expenditure by 5,06, to which extent the opening balance of 10,40 has been reduced. A further reduction of 2 lakhs has been made in 1886-87 by a special contribution to Imperial.

3. The Land Revenue has increased steadily, the increase being nearly $4\frac{1}{2}$ lakhs for the five years. Stamps have brought Revenue Heads—Receipts. in 3,65 and Excise 5,87 above the assignment; in both cases the increase was more rapid in the first three years than in the last two. Forest receipts have increased by 1,03, but the expenditure has risen nearly as much. Registration receipts have been nearly stationary.

4. Under Civil Departments Police receipts have risen by 1,95, and Education by 57. The other heads of this group have Civil Departments—Receipts. been stationary.

5. In the Miscellaneous heads there has been Miscellaneous—Receipts. no change worth mentioning, on the Receipt side.

6. The State Railway has been a small burden on the finances, but is expected to pay its way in future. Ordinary Public Works Department—Receipts. Public Works receipts have fallen slightly, through the transfer of Ferries to Local.

7. The total annual receipts have exceeded the assignment as follows:—

1882-83.	1883-84.	1884-85.	1885-86.	1886-87.	Total.
94	2,35	3,46	3,76	4,53	15,04

8. Land Revenue shows a slight increase of about $\frac{1}{2}$ a lakh in the last year—probably due to the cost of the Cadastral Revenue Heads—Charges. Survey. The small increase in Stamps (28) is due to discount on increased sales. In Forests the expenditure has risen (89) to keep pace with the receipts.

9. General Administration shows hardly any change. Under Law and Civil Departments—Charges. Justice there has been no increase save in the last year, in which the increase of $\frac{1}{2}$ a lakh is mainly under the head of Jails, under which there has been an over-estimate. There is a rise of 3,45 for the whole term under Police, due to increased expenditure on the Frontier Police. Marine shows an excess of 1,33; Education (in the higher branches, primary education is entirely local) has risen by $\frac{1}{4}$ of a lakh in the last year. Medical expenditure has steadily increased (1,48), being, in the last year, nearly $\frac{1}{2}$ a lakh higher than the assignment. Minor departments have risen through the appointment of the Director of Agriculture.

10. The expenditure falling under the Miscellaneous—Charges. miscellaneous heads shows a slight decrease.

11. State Railways have ceased to be a source of expenditure, but the subsidised Makum Railway will continue to cost Public Works Department—Charges. the Province about a lakh of rupees yearly. On Railway construction 9 lakhs have been laid out for two short lines. The expenditure on ordinary Roads and Buildings can only be properly seen by

 Assam Provincial Accounts, 1882—1887.

adding together the sums shown under other Public Works and under Contributions, the latter being entirely given for local roads: thus against an original estimate of 51,66, the expenditure of the five years has been 58,18, or an excess of 6,52.

12. The annual total excess expenditure above the assignment has been—

1882-83.	1883-84.	1884-85.	1885-86.	1886-87.	Total.
64	3,97	8,60	3,60	8,74	25,55

The 2nd June 1886.

Assam Provincial Accounts, 1882-1887.

Provincial Receipts—Assam—1882-83 to 1886-87.

	ASSIGNMENT.		1882-83.	1883-84.	1884-85.	1885-86. (Revised.)	1886-87. (Budget.)
	Original.	In last year.					
LAND REVENUE—							
Percentage	24,43	24,43	24,29	24,87	25,52	25,89	26,08
Record Room Receipts	4	4	2	2	2	2	2
Recurring Adjustments—							
Survey charges . . . . .	...	+12	+12	+12	+12	+12	+12
Frontier Police . . . . .	...	+1,05	...	+1,05	+1,05	+1,05	+1,05
Forest Department Public Works . . . . .	...	+1	...	...	+1	+1	+1
Marine charges . . . . .	...	—60	...	...	...	—60	—60
Non-recurring Adjustments . . . . .	...	...	...	...	+4	...	—2,00(a)
Inter-Provincial Adjustments . . . . .	...	+3 (b)	—32	—20	—21	—37	—27
Total Land Revenue	24,47	25,03	24,11	25,77	26,55	26,12	24,41
STAMPS	3,07	3,07	3,58	3,74	3,87	3,90	3,94
EXCISE	9,60	9,60	10,05	10,62	11,05	11,00	11,15
PROVINCIAL RATES	(c)	(c)	...	...	...	...	...
FOREST	85	85	1,24	1,06	90	95	1,13
REGISTRATION	14 (d)	14 (d)	14	14	15	17	17
Total other Principal Revenue Heads	13,66	13,66	15,01	15,56	15,97	16,02	16,39
LAW AND JUSTICE—							
COURTS	1,10	1,10	86	80	78	75	74
JAILS	54	51	71	73	85	74	86
POLICE	66	66	88	1,02	1,03	1,16	1,16
MARINE	2	2	1	15	5	5	4
EDUCATION	25	25	31	35	38	39	39
MEDICAL	2	3	1	1	1	1	1
SCIENTIFIC . . . . .	...	...	...	...	1	1	1
Total Civil Departments	2,59	2,59	2,78	3,06	3,11	3,11	3,21
INTEREST	1	1	1	...	1	1	1
SUPERANNUATION	1	1	1	1	1	5	3
STATIONERY, &c.	2	2	2	3	3	3	4
MISCELLANEOUS	31	31	27	30	25	24	25
Total Miscellaneous	35	35	31	34	30	33	33
STATE RAILWAYS . . . . .	...	...	...	...	4	35	86
CIVIL BUILDINGS AND ROADS	20	20	16	10	5	6	6
Total Receipts	41,27	41,88	42,37	44,83	46,02	45,99	45,26
OPENING BALANCE . . . . .	...	...	10,40	11,79	11,27	7,21	8,46
GRAND TOTAL . . . . .	...	...	52,77	56,62	57,29	53,20	53,72

N.B.—For Notes see overleaf.

Assam Provincial Accounts, 1882-1887.

Provincial Expenditure—Assam—1882-83 to 1886-87.

	ASSIGNMENT.		1882-83.	1883-84.	1884-85.	1885-86, (Revised.)	1886-87, (Budget.)
	Original.	In last year.					
REFUNDS	9 (e)	9 (e)	14	9	8	10	15
LAND REVENUE	7,56 (f)	7,68 (l)	7,50	7,45	7,62	7,78	8,24
STAMPS	12	12	14	18	20	18	18
EXCISE	5	5	4	3	4	4	4
PROVINCIAL RATES . . . . .	...	...	...	...	...	...	...
FOREST	80	79 (m)	86	99	98	1,00	1,03
REGISTRATION	9 (g)	9 (g)	8	8	10	10	11
Total Principal Revenue Heads	8,71	8,82	8,76	8,82	9,02	9,20	9,75
POST OFFICE . . . . .	...	...	1	...	1	1	1
GENERAL ADMINISTRATION	1,90	1,90	1,83	2,14	1,88	1,88	1,96
LAW AND JUSTICE—							
COURTS	5,29 (h)	5,29	5,12	5,16	5,20	5,05	5,54
JAILS	1,00 (h)	1,03 (n)	1,06	1,13	1,12	1,05	1,30
POLICE	7,60 (i)	8,65 (p)	7,69	9,00	9,68	9,55	9,74
MARINE	91	31 (q)	1,09	1,03	1,32	78	46
EDUCATION	1,62	1,62	1,59	1,61	1,64	1,68	1,88
MEDICAL	1,01	1,01	1,20	1,27	1,28	1,33	1,45
SCIENTIFIC, &c.	10	10	14	28	21	25	27
Total Civil Departments	19,43	19,91	19,72	21,62	22,33	21,57	22,60
SUPERANNUATIONS	55	55	51	49	52	55	60
STATIONERY, &c.	52	52	52	69	72	63	68
MISCELLANEOUS	65 (j)	65 (j)	19	20	16	19	19
Total Miscellaneous	1,72	1,72	1,22	1,38	1,40	1,37	1,47
RAILWAY CONSTRUCTION . . . . .	...	...	...	1,06	4,88	2,71	48
STATE RAILWAYS . . . . .	...	...	...	...	7	40	85
SUBSIDISED RAILWAYS . . . . .	...	...	...	...	58	1,00	1,05
IRRIGATION AND NAVIGATION . . . . .	...	...	...	...	...	...	...
CIVIL BUILDINGS AND ROADS	7,16 (k)	7,18 (r)	5,15	4,70	5,80	5,01	7,48
Total Public Works	7,16	7,18	5,15	5,70	11,33	9,12	9,86
CONTRIBUTIONS (net)	3,16	3,16	6,12	7,77	5,99	3,47	6,69
Total Expenditure	40,18	40,79	40,98	45,35	50,08	41,74	50,38
CLOSING BALANCE . . . . .	...	...	11,79	11,27	7,21	8,46	3,34
GRAND TOTAL . . . . .	...	...	52,77	56,62	57,29	53,20	53,72
Surplus (+) or Deficit (—)	+ 1,09	+ 1,09	+ 1,39	—5,22	—4,08	+ 1,25	—5,12

N.B.—For Notes see overleaf.

Assam Provincial Accounts, 1882-1887.

Notes explaining Assam Provincial Account.

- (a) Special contribution to Imperial, not taken account of in the Abstract.
 (b) Addition on account of Jail supplies formerly obtained from Bengal; a corresponding addition is made on the expenditure side under Law and Justice.
 (c) The figure given in the original assignment here is 3,35; subsequently, however, these rates have been shown under Local; the credit is therefore omitted here, and a reduction made under Civil Buildings (Expenditure) corresponding to the net amount of Provincial Rates, i.e., 3,35-6=3,29.
 (d) The original figure was 18; but 4 being on account of Record-room Receipts has been taken to Land Revenue.

(e) Original figure	37
Deduct Refunds of—	
Law and Justice	18
Police	1
Miscellaneous	4
Other Public Works	5
	<u>23</u>
	9

The amounts deducted have been carried to the service heads as they are now shown under those heads in the accounts.

- (f) Original figure 7,53; the figure here includes 3, Record-room charges, since transferred to this head.
 (g) The difference (-3) is on account of Record-room charges taken to Land Revenue, see note (f).
 (h) Original figure 6,11, to which 18 was added for refunds, see note (e).
 (i) Original figure 7,59; add 1 for refunds, see note (e).
 (j) 4 added to Miscellaneous on account of refunds, see note (e).
 (k) Original figure 10,40
 Figure now given 7,16

Difference -3,24

Made up of deduction on account of Provincial Rates, see note (c) -3,29

Added for Refunds, see note (e) +5
 -3,24

- (l) Additional grant for Survey charges (see corresponding addition under recurring adjustments on Receipt side).
 (m) 1 deducted on account of Forest Public Works made Provincial and transferred to the Head of Public Works; to which 2 has accordingly been added. The difference 2-1 is made up by the additional grant on the Receipt side under Land Revenue.
 (n) 3 added for Jail supplies, see note (b).
 (p) 1,05 added for Frontier Police (see additional grant under Land Revenue).
 (q) The original grant (60) was subsequently withdrawn (see deduction of 60 from Land Revenue on Receipt side).
 (r) Addition of 2 for Forest Works, see note (m).

Lower Burma Provincial Accounts, 1882-1887.

APPENDIX VIII.

PROVINCIAL RECEIPTS AND EXPENDITURE DURING TERM OF CONTRACT—
LOWER BURMA.*

[N.B.—The figures in this Note represent thousands of Rupees—thus 11.40 means R11,40,000.]

The following is an abstract account of the provincial Revenue and Expenditure of Lower Burma during the term of the existing Contract:—

General abstract.

	RECEIPTS.								EXPENDITURE.							
	ASSIGNMENT.		1882-83.	1883-84.	1891-85.	1885-86, (Revised.)	1886-87, (Budget.)	+ or —	ASSIGNMENT.		1882-83.	1883-84.	1891-85.	1885-86, (Revised.)	1886-87, (Budget.)	+ or —
	Original.	In last year.							Original.	In last year.						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Land Revenue—																
Fisheries (a) . .	11.40	11.40	11.69	11.26	11.13	10.52	11.01	—1.39	...	...	...	...	...	...	...	...
Percentage . . .	33.69	33.69	30.90	39.25	33.81	33.31	34.17	+2.99	...	...	...	...	...	...	...	...
Recurring adjustments . . .	...	—1.47	—86	—1.10	—91	—1.47	—1.47	...	...	...	...	...	...	...	...	...
Non-recurring adjustments . . .	...	...	...	+1.50	+49	+1.01	+25	...	...	...	...	...	...	...	...	...
Special grant from Imperial . . .	...	...	...	+4.17	+6.66	+2.30	...	+13.13	...	...	...	...	...	...	...	...
Inter-provincial adjustments . . .	...	...	—39	—9	—20	—26	—23	—1.17	...	...	...	...	...	...	...	...
Total . . .	45.09	43.02	41.34	51.99	50.95	45.44	43.73	+13.56	...	...	...	...	...	...	...	...
Other Revenue Heads . . .	42.05	42.05	47.18	43.78	37.28	41.41	41.47	+89	21.38	20.44	20.50	21.29	21.37	20.33	20.36	+1.72
Civil Departments . . .	8.60	8.60	7.60	6.23	6.55	7.21	7.29	—8.13	44.01	43.48	49.80	50.97	50.43	49.37	51.04	+32.61
Miscellaneous . . .	35	35	39	41	28	31	30	—7	3.55	3.55	4.27	3.71	3.81	3.74	3.98	+1.79
Post Office . . .	...	...	...	...	...	...	...	...	22	22	39	46	53	60	61	+1.49
State Railways—																
Net Revenue or Expenditure . . .	81	81	...	...	...	...	...	—4.05	...	...	92	1.97	1.70	4.37	2.43	+11.39
Capital expenditure . . .	...	...	...	...	...	...	...	...	...	...	...	...	23	...	...	+23
Irrigation (net) . . .	...	...	...	...	...	...	...	...	3.43	3.43	8.70	5.46	6.49	3.12	2.79	+9.41
Civil Buildings and Roads . . .	1.10	1.10	57	48	69	48	46	—2.31	32.87	32.87	(b) 31.20	29.19	20.25	13.53	12.09	—61.38
Contributions . . .	...	...	...	...	12	21	6	+39	...	...	23	4	...	...	...	+27
Total . . .	98.00	96.53	97.08	1.05.89	95.87	95.06	93.31	—22	1.05.46	1.03.99	1.16.01	1.13.09	1.04.84	95.06	93.30	—2.47
Opening or closing balance . . .	...	...	35.10	16.17	8.97	Nil	Nil	...	...	...	16.17	8.97	Nil	Nil	1	...
GRAND TOTAL . . .	...	...	1.32.18	1.22.06	1.04.84	95.06	93.31	...	...	...	1.32.18	1.22.06	1.04.84	95.06	93.31	...
Surplus (+) or deficit (—) . . .	—7.46	—7.46	—18.93	—7.20	—8.97	Nil	+1	...	...	...	...	...	...	...	...	...

N.B.—The + or — in columns 9 and 17 shows the increase or decrease in the total receipts or expenditure of the five years (including the Revised Estimate for 1885-86 and the Budget Estimate of 1886-87), as compared with five times the Average Assignment.

2. The total Revenue of the five years, including special grants amounting to 13,13, has been 4,87,21 against an assignment of 4,87,43, and the expenditure has been 5,22,30 against an assignment of 5,24,77.

(a) Wholly Provincial.

(b) Includes 3 on account of Military Works.

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3. The original Contract provided for an annual reduction of the percentage of Land Revenue, Export Duties, and Salt, on the assumption that the revenues of the Province would continue to progress at nearly the same rate as they had done in previous years. This part of the Contract was, however, abandoned, and the percentage has remained throughout at the same rate as was fixed for the first year. The above abstract shows that even after this modification, and with additional assistance from the Government of India to the extent of above 13 lakhs, it is estimated that the Province will close the Contract with the nominal balance of one thousand rupees, although it began with a balance of more than 35 lakhs.

Reduction of Balance.

4. The Revenues excluding the special grants have, on the whole, decreased, as compared with the assignment; the fall is mainly under Civil Departments and Public Works.

Decrease of Revenue.

5. Land Revenue has fluctuated considerably, chiefly owing to earlier or later realisations, but has on the whole risen slightly (1,60).

Land Revenue.

6. Under the other principal Revenue heads there have also been considerable fluctuations, and this has been especially the case with the Customs and Forest Revenue; the Customs Revenue, consisting chiefly of the Provincial share of the Export Duty, which was taken in the assignment at about 15½ lakhs, has varied from less than 12 to more than 18½ lakhs; it has over the whole term of the Contract produced 2 lakhs less than the assignment figure would have given, and for the last year it stands at 18 less than that figure. Forest Revenue, taken at 10¼ lakhs, has varied from less than 8½ to more than 12½ lakhs; the net Revenue produced has, however, been about a lakh in excess of the assignment; but the last three years it has fallen very low, and in the last year the estimate is about 1¼ lakhs below the assignment.

Principal Heads of Revenue—Receipts.

The Revenue under Stamps has risen, and is estimated this year to be about a lakh above the assignment. On the whole the "other Revenue" heads have produced an amount slightly (89) in excess of the amount taken in the assignment, but this was due to the favourable outturn of the first two years, the income of the last three being considerably below the assignment.

7. Under Civil Departments, the most noticeable decrease as compared with the original assignment is under Police; this is due to the Local Government having given up the contributions paid for Police supplied to Municipalities and Cantonments. This alone resulted in a loss of about 1½ lakhs to Provincial Revenues. The only charges of which the Provincial Funds were relieved to compensate for this, as far as can be gathered from the accounts, were those on account of Vaccination to the amount of only Rs 9,000. Under Law and Justice the receipts from Jail manufactures fell off; but other receipts have increased. The receipts under Marine have also risen.

Civil Departments—Receipts.

8. Under Civil Buildings and Roads there has been a fall compared with the assignment, which appears to have included some special item of an exceptional character.

Civil Buildings, &c.—Receipts.

9. The State Railways from the first year of the contract ceased to produce any net Revenue. This was not owing to any falling off in the gross receipts of the working line, but was entirely due to the increasing charge for interest on account of the

State Railways—Net charges.

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new line, which was under construction at the commencement of the Contract. The net Revenue after deducting working expenses only and the interest charge are shown below :—

	Assign- ment.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.
Gross Revenue	15,30	15,87	16,77	21,66	23,70	26,00
Working expenses	8,90	9,88	10,21	13,45	17,35	17,50
Net Revenue	6,40	5,99	6,56	8,21	6,35	8,50
Interest	5,59	6,91	8,53	9,91	10,72	10,93
Net Receipts (+) or charges (—)	+81	—92	—1,97	—1,70	—4,37	—2,43

The result has been that the Province has had to pay 11,39 for its Railways or about $2\frac{1}{4}$ lakhs a year; while the net charge in the last year is nearly $2\frac{1}{2}$ lakhs. This, however, is likely to improve in the future, as the interest charge should not rise materially, while the Revenue may be expected to increase. The working expenses bear a high proportion to the Revenue.

10. As regards Expenditure, it must be noted that the assignment showed a deficit of $7\frac{1}{2}$ lakhs, or allowing for the withdrawal of the contribution for Municipal and Cantonment Police of nearly 9 lakhs; the expenditure has, however, in every year exceeded the assignment figure, after allowing for the reduction of the Customs Establishment, and, in the last two years, for the return of the Steamer *Irrawaddy* to Imperial.

11. Under Revenue Heads the figure for the last year is very nearly the same as that for the Assignment; but there has been a material increase under some heads. Under Land Revenue the collection charges have necessarily varied with the fluctuations on the receipt side; the other charges rose in 1883-84 and 1884-85, but fell to nearly the contract figure in the last two years; here again, however, there have been variations in detail as shown below :—

	Assign- ment.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.
Deputy Commissioner's Charges and District Establishment .	6,55	6,56	6,95	7,37	7,42	7,52
Survey and Settlement Charges .	2,46	2,85	3,18	2,88	2,09	1,75
TOTAL .	9,01	9,41	10,13	10,25	9,51	9,27

The increase in the District Charges is chiefly due to the creation of the Pegu District, to increases in the number of Extra Assistant Commissioners and Myooks, and to higher charges for office establishments and contingencies.

12. Under Civil Departments expenditure has risen largely, chiefly under General Administration, Law and Justice, Police, Education, and Scientific, &c., Departments.

13. Under General Administration the increase is partly apparent only, as the assignment figure was evidently an underestimate; the increase, as far as it is real, has occurred both in the Secretariat establishment and in that of Commissioners.

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14. Under Law and Justice there have been increases under most heads ;

Law and Justice—Charges.

the principal increases are due to the appointment of an additional Recorder, and two Government Prosecutors, to the office of Civil and Sessions Judge being held by an officer with higher salary, to increased establishment in the Courts of Small Causes, to the improvement of the position and the increase in the number of Extra Assistant Commissioners and Myooks, and to a large increase in the establishment and contingent charges of the Criminal Courts. The charge for Jails has increased but slightly ; but the permanent charges for Central and District Jails have risen considerably, while the charges for Jail manufactures (which are in a sense remunerative) have fallen. The figures under these three minor heads have been—

	Assignment.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.	Increase (+) or Decrease (-) for whole term.
Central Jails . . .	1,87	2,00	2,22	2,67	2,47	2,68	+ 2,69
District Jails . . .	1,28	1,09	1,39	1,84	1,75	1,81	+ 1,48
Jail manufactures . .	2,37	2,36	62	94	1,27	1,10	—5,56

15. Under Police the increased charge has been very great ; the Municipal

Police—Charges.

Police has been amalgamated with the District Force, and the figures for the two heads taken together compare as follows with the assignment :—

Assignment.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.	Increase for whole term.
16,60.	18,44	19,67	19,06	18,38	19,50	+ 12,05

The increase arises from the augmentation and revision of the pay of the Police Force, from the increase in the number of graded Superintendents, from a largely increased charge for arms and accoutrements and other contingent charges of the force, including construction and repairs of barracks, &c., and from some charges, such as house allowances to sub-divisional officers, which were formerly paid direct by municipalities without passing through the Government accounts. The details of the figures given above up to 1884-85, are as follows :—

	Assignment.	1882-83.	1883-84.	1884-85.
Superintendence	1,41	1,51	2,06	1,96
Police Force	13,12	13,54	13,93	13,80
Establishment	2	2	2	9
Clothing	82	82	90	85
Arms and Accoutrements	12	56	12	21
Petty Construction and Repairs	31	89	86	} 2,15
Other Contingent Charges	80	1,10	1,78	
TOTAL	16,60	18,44	19,67	19,06

16. Under Education there have been many changes owing to the Local

Education—Charges.

Self-Government scheme, but the net result has been an increase of more than a lakh in the last year to the Provincial charges. Some part of the cost of Government schools

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has apparently been made a charge against Local or Municipal Funds, but a still larger contribution has been paid to Municipalities; the charge for Inspection (which before was paid in nearly equal portions by Provincial and Local Funds) has been made entirely Provincial, and the grants-in-aid, which were at first reduced, have risen again to about the same figure as before.

17. Under Scientific and Minor Departments there has been an increase of charge due to the creation of an Agricultural Department, and to increased expenditure on Model Farms and the Veterinary Class. In 1882-83 and 1883-84 there was large expenditure (a) under this head on account of emigration.

18. Under Miscellaneous heads there has been a rise. Superannuation charges have risen by two lakhs for the whole term, including a specially large charge in 1882-83 on account of gratuities to the Customs establishment on its reduction. Stationery charges have also risen steadily, and have exceeded the assignment by 1,18. The expenditure on Irrigation has fluctuated considerably, but has on the whole exceeded the assignment by nearly 9½ lakhs. During the last two years it is estimated at figures slightly below the assignment.

19. The expenditure on Civil Buildings, &c., has gradually fallen; in the first two years it kept nearly to the amount shown in the assignment; but during the last three years it has been restricted to the amount which could be made available after satisfying all other charges, and for 1886-87 it falls as low as 12 lakhs. It must, however, be remembered that the expenditure on Civil Buildings, &c., in this Province rose with a bound in 1881-82, and that the high expenditure of 1881-82, 1882-83, and 1883-84 by no means represents the normal expenditure. The following figures show the expenditure on Civil Buildings, &c., since the commencement of the Provincial Service Scheme in 1871-72:—

		Provincial.	Local.	TOTAL.
	1871-72	10,57	1,21	11,78
	1872-73	12,99	77	13,76
	1873-74	14,48	76	15,24
	1874-75	15,05	94	15,99
	1875-76	14,41	1,09	15,50
	1876-77	10,81	2,61	13,45
	1877-78	9,23	3,04	12,27
Average for last contract of Provincial alone . . . 4 {	1878-79	11,68	1,43	13,11
	1879-80	10,21	1,63	11,84
	1880-81	16,96	2,20	19,16
Average for existing contract of Provincial alone . . . 5 {	1881-82	27,15	6,54	33,69
	1882-83	31,17	7,11	38,28
	1883-84	29,19	6,02	35,21
	1884-85	20,25	4,89	25,14
	1885-86	13,53	3,80	17,33
	1886-87	12,09	4,00	16,09

Even in these last two years, therefore, the expenditure (from Provincial and Local together) has been higher than in any year previous to 1880-81, and the average yearly Provincial expenditure during the present term is 4¼ lakhs in excess of that during the previous contract.

The 28th May 1886.

(a) 1882-83—1,71, 1883-84—1,33, 1884-85—3, 1885-86 Nil and 1886-87 Nil.

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Provincial Receipts—Lower Burma—1882-83 to 1886-87.

	ASSIGNMENT.		1882-83.	1883-84.	1884-85.	1885-86, (Revised.)	1886-87, (Budget.)
	Original.	In last year.					
LAND REVENUE—							
Fisheries	11,40	11,40	11,69	11,26	11,13	10,52	11,01
Percentage	33,69	33,69	30,90	39,25	33,81	33,31	34,17
Recurring Adjustments—							
Survey and Registration Department grant.	...	16	...	...	16	16	16
Extra Preventive Customs . . . . .	...	2	...	...	2	2	2
Savings in Customs establishment . . . . .	...	-1,12	-86	-1,10	-1,12	-1,12	-1,12
Transfer of Irravaddy Steamer . . . . .	...	-53	...	...	...	-53	-53
Non-recurring Adjustments—							
Tavoy Bridle Path . . . . .	...	...	...	1,50	50	1,04	25
Special grant . . . . .	...	...	...	4,17	6,66	2,30	...
Refund of Superannuation . . . . .	...	...	...	...	-1	...	...
Inter-Provincial Adjustments . . . . .	...	...	-39	-9	-20	-26	-23
Total Land Revenue	45,09	43,62	41,34	54,90	50,05	45,44	43,73
SALT	77	77	54	68	87	58	85
STAMPS	4,05	4,05	4,13	4,47	4,90	4,97	5,00
EXCISE	10,80	10,80	11,27	11,08	11,09	10,77	11,08
CUSTOMS	15,58	15,58	18,63	14,90	11,95	15,07	15,40
FOREST	10,77	10,77	12,52	12,55	8,35	9,89	9,00
REGISTRATION	8	8	9	10	12	13	14
Total other Principal Revenue Heads	42,05	42,05	47,18	43,78	37,28	41,41	41,47
LAW AND JUSTICE { COURTS	2,07	2,07	1,81	2,13	2,48	2,55	2,59
{ JAILS	2,55	2,55	3,10	1,44	1,47	1,81	1,85
POLICE	1,59	1,59	4	15	14	13	14
MARINE	1,83	1,83	2,12	2,05	1,86	2,17	2,16
EDUCATION	40	40	41	36	49	41	44
MEDICAL	13	13	9	7	9	9	9
SCIENTIFIC, &c.	3	3	3	3	2	2	2
Total Civil Departments	8,60	8,60	7,60	6,23	6,55	7,21	7,29
SUPERANNUATION	5	5	3	4	2	2	3
STATIONERY	5	5	6	5	3	4	4
MISCELLANEOUS	25	25	30	32	23	25	23
Total Miscellaneous	35	35	39	41	28	31	30
STATE RAILWAYS	15,30	15,30	15,87	16,77	21,66	23,70	26,00
IRRIGATION	28	28	43	40	33	40	31
CIVIL BUILDINGS AND ROADS	1,10	1,10	57	48	69	48	46
Total Public Works	16,68	16,68	16,87	17,65	22,68	24,58	26,77
CONTRIBUTIONS . . . . .	...	...	1	...	17	31	12
Total Receipts	1,12,77	1,11,30	1,13,39	1,23,06	1,17,91	1,19,26	1,19,68
OPENING BALANCE	35,10	16,17	8,97	Nil	Nil
GRAND TOTAL	1,48,49	1,39,23	1,26,88	1,19,26	1,19,68

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Provincial Expenditure—Lower Burma—1882-83 to 1886-87.

	ASSIGNMENT.		1882-83.	1883-84.	1884-85.	1885-86, (Revised.)	1886-87, (Budget.)
	Original.	In last year.					
REFUNDS	43	43	71	48	50	57	52
LAND REVENUE	11,54	11,70	11,48	12,76	12,82	11,83	11,67
SALT	4	4	3	2	3	3	3
STAMPS	13	13	10	11	11	11	12
EXCISE	6	6	8	7	9	22	26
PROVINCIAL RATES . . . . .	...	...	...	...	...	...	...
CUSTOMS	2,62	1,52	1,96	1,72	1,70	1,73	1,73
FOREST	6,50	6,50	6,09	6,08	6,06	5,77	5,95
REGISTRATION	6	6	5	5	6	7	8
Total Principal Revenue Heads	21,38	20,44	20,50	21,29	21,37	20,33	20,36
Post Office	22	22	39	46	53	60	61
GENERAL ADMINISTRATION	3,43	3,43	3,72	3,95	3,83	3,86	3,87
LAW AND JUSTICE	9,21	9,21	9,92	10,52	10,99	11,00	11,51
{ COURTS	5,98	5,98	5,87	4,68	5,98	6,07	6,15
{ JAILS	16,97	16,97	18,96	20,20	19,68	19,22	19,93
POLICE	3,16	2,63	4,04	4,08	3,31	2,60	2,76
MARINE	2,64	2,64	2,73	3,12	3,63	3,60	3,71
EDUCATION	2,13	2,13	1,78	2,02	2,08	2,18	2,21
MEDICAL . . . . .	...	...	5	3	2	3	3
POLITICAL	49	49	2,73	2,37	91	81	87
SCIENTIFIC, &C.							
Total Civil Departments	44,01	43,48	49,80	50,97	50,43	49,37	51,04
SUPERANNUATION	1,44	1,44	2,25	1,73	1,73	1,70	1,79
STATIONERY	1,54	1,54	1,69	1,71	1,73	1,80	1,95
MISCELLANEOUS	57	57	33	27	38	24	24
Total Miscellaneous	3,55	3,55	4,27	3,71	3,84	3,74	3,98
STATE RAILWAYS—							
<i>Working Expenses</i>	8,90	8,90	9,88	10,21	13,45	17,35	17,50
<i>Interest</i>	5,59	5,59	6,91	8,53	9,91	10,72	10,93
<i>Capital</i> . . . . .	..	...	...	...	23	...	...
IRRIGATION, &C.	3,71	3,71	9,13	5,86	6,82	3,52	3,10
MILITARY WORKS . . . . .	...	...	3	...	...	...	...
CIVIL BUILDINGS AND ROADS	32,87	32,87	31,17	29,19	20,25	13,53	12,09
Total Public Works	51,07	51,07	57,12	53,79	50,66	45,12	43,62
CONTRIBUTIONS . . . . .	...	...	24	4	5	10	6
Total Expenditure	1,20,23	1,18,76	1,32,32	1,30,26	1,26,88	1,19,26	1,19,67
CLOSING BALANCE	16,17	8,97	Nil	Nil	1
GRAND TOTAL	1,48,49	1,39,23	1,26,88	1,19,26	1,19,68
Deficit	—7,46	—7,46	—18,93	—7,20	—8,97

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